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VOX CLAMANTIS

BY

NUMA MINIMUS [pseud.]
(i.e., Frederick Scott Oliver)

"The voice of one crying in the wilderness"

~~259269
18.9.31~~

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To
N * * * *

PREFACE

My illustrious ancestor, Numa Pompilius, when he made laws for Rome, those wise laws whose influence can be traced in every modern constitution, took counsel from time to time in a secluded cave with a judicious nymph, Egeria. There he put aside the divided opinions, the jealous strife, the narrow and personal prepossessions, of his other advisers, and drew in the sublime and impartial wisdom of his faery colleague. Numa was a practical ruler of men; Egeria was a philosopher; the alliance of practical judgment with philosophic breadth of view produced then, and always will produce, the highest qualities of statesmanship. The author of these essays has retired to the philosophic cave from time to time during his thirty years of industrious life; what he has heard or dreamt of there, he has set down here in compendious form; not troubling to repeat what others have worked out before, but taking as his groundwork the doctrines of publicists, economists, and historians, so far as they have received and appear to deserve general approval.

Confucius said: "Without knowing the force of

words it is impossible to know men." He knew not only words but men; he was not only a philosopher but a successful ruler. The power of words over thought and over men can hardly be exaggerated; it is one of the objects of these essays to discuss and, if possible, to establish the most correct and consistent use of such current terms as liberty, democracy, aristocracy, socialism. So long as our use of these words is irregular, variable, and inconsistent, it is hardly worth while to argue about the things which correspond to the words, unless with the object of misleading our hearers.

The time-honoured oppositions of liberty and authority, democracy and aristocracy, reform and conservatism, tradition and progress, and also the more modern opposition of socialism and individualism, are here envisaged as pairs of forces that must be brought into equilibrium, tendencies that must be reconciled, each pair, like the obverse and reverse of a coin, completing the perfect actuality. While one party calls heads and another stakes its fortunes on the tail, the coin itself is double-faced; truth bears both head and tail. From this survey of the actual and the ideal harmonies of society, I pass by a natural transition to the consideration of certain problems presented by the most modern of gospels, which unfolds to its catechumens the glories, not of the Kingdom of Heaven, but of the Collectivist State.

My voice is the voice of one crying in the wilderness. I preach to partisans who do not wish to be converted, for their partisanship is the mainspring of their political activity. But I preach to all partisans alike; to the encomiasts of liberty, and the friends of authority; to democrats who are many, and aristocrats who are few and shame-faced; to liberals and conservatives; to socialists and individualists. It is not a body of doctrines that I have to teach, but an attitude of mind that I endeavour to recommend. The neglect of our ancestors has thrown upon this generation tasks which require all our energy and wisdom. Our energy is wasted by futile political strife; our wisdom is warped by partisanship. The State as a supreme tribunal to adjudicate between warring interests is paralysed by worn-out doctrines of liberty; it is further discredited by the party system. If we need more authority, we also need more impartiality. Suspicious of authority, hopeless of impartiality, we have taken refuge in indifference; while a minority calls for abrupt and violent remedies. The events of this month may have served to indicate, however faintly, the consequences of one such remedy, the general strike: an expedient that may be used as well in the cause of injustice, as in that of justice, a weapon which strikes down first the children of the poor. They may also justify, to those who possess knowledge and imagination,

PREFACE

what is said below about the Social Revolution and its consequences under modern conditions.

It has been pointed out to me that, although I have been careful to define Socialism, I have not explicitly defined Collectivism. The term Collectivism is used throughout these essays to indicate any economic and social system based upon the collective ownership of land and capital ; generally, the system based on collective ownership of all land and capital.

NUMA MIN.

London, August, 1911

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VOX CLAMANTIS

INTRODUCTION

IN all discussion of politics, practical or theoretical, the correct or at any rate the consistent use of terms is of great importance. It is true that it does not much matter what significance we attach to a word, so long as its meaning is clearly understood, and does not vary from the beginning of the argument to the end. But when a word has a traditional significance, and also a current perversion, misunderstandings and false reasoning are certain to result. When a man tells me that he is a democrat, I am entitled to ask whether he wishes to be ruled by the people as a whole, or by the lower classes. I generally find that he does not understand what is meant by the former proposition ; he may or may not resent the suggestion conveyed by the second. It will probably be discovered that he means that he is in favour of political and social equality. That is a very common, but a very inaccurate and inconvenient use of the words democrat, democratic—it may, however, be excused if it is consistently maintained. But if I continue the

conversation he will probably soon speak of the democracy. If I then ask him whether he means by this noun substantive the mass of people who believe in political and social equality, he will probably denounce me for a quibbler and a pedant. Most people dislike being pinned down to a definite meaning for a particular word. They like a word to call up indefinite ideas, which they regard in bulk with affection or dislike. They like a word which indicates, not an object or a conception, but an emotion, or a set of emotions.

The term individualist is generally used with approximate correctness; but it is also used in frequent opposition to the term socialist. If these terms are in true opposition, the definition of both should follow the same lines. Current definitions of socialism are notoriously diverse; and I do not hope that my definition * will be generally approved. But it is the only definition that justifies the opposition of individualism and socialism; which seems in itself useful and necessary. The great variety in the use of the term socialist is partly due to the fact that it is most generally used either as a shibboleth or as a term of abuse. It is not convenient to make shibboleths too precise, nor to be too anxious, when searching for an opprobrious epithet, whether you know or your opponent knows exactly what it means.

* Below, p. 96.

I have endeavoured below to develop the thesis that the well-being of the State depends upon the harmonious balance of the opposing forces of liberty and order. This thesis appears to me self-evident when enunciated, but, when I propounded it in conversation to a distinguished man, he said he did not understand what it meant. On attempting to explain I discovered that this great writer and thinker, when he spoke of liberty, assumed that his hearer or reader would understand thereby such a degree of ordered liberty as a reasonable person would approve. I think the term is commonly so used, but it is not sound to postulate so many qualifications when using an unqualified term. Liberty is a definite word with a simple meaning ; but, in common use, it is overlaid by the pleasurable emotions which are by most people associated with it. To the individual liberty is almost always agreeable, and restrictions are normally irksome except when they have grown into habits. Yet, if we maintain that liberty is a good thing without qualification, we must perforce admit that discipline is a bad thing. A professor, who was eager to develop the individuality of his young son, laid down the principle that the boy was never to be thwarted. When he went for his governess with a hammer and knocked out her front teeth, this principle was found in practice to be imperfect as a rule of education. Liberty in the schoolroom had to be reconciled with order. The meanings

attached to such words as democracy, liberty, socialism, throughout this book, are not in every case the most usual; but I think they are in each case the most legitimate, and at any rate they are in each case permissible, and, I hope, they are steadily maintained. Such care in the use of words is consistent with the academic attitude adopted throughout, as the only attitude compatible with impartiality.

For a man of the world is compelled in the present state of affairs to be a partisan against his will. Nothing that he desires can be done except by the agency of some party. It is impossible for him to choose from the programmes of both parties—or all four parties—those items which he approves. If he is to cast a vote at an election, still more if he wants to have any influence with his friends and neighbours, he has to adopt for practical purposes *holus bolus* the platform of some party. Only in the seclusion of my library am I permitted to select this wise tradition of the Conservatives, that noble aspiration of the Liberals, this justifiable ambition of the Labour Party, that legitimate claim of the Irish Nationalists, this element of truth in the teaching of the Socialists, that irresistible contention of the Individualists, and to blend them all into a political formula to suit my own experience, my own reading of history, and my own attitude of mind. Only in private can a politician be sober, reasonable, conciliatory, appreciative, and sympathetic. If he wants anything done

or not done in politics he must get excited, put on his blinkers, and sling mud with the rest.

To preserve this academic attitude I have found it necessary to avoid all topics of current party moment. No discussion will be found in these pages of Tariff Reform, Home Rule, the veto of the House of Lords, the reform of the House of Lords; and even practical schemes of social reform are ruled out. I declare myself, it is true, in favour of state-regulation of industry and employment rather than of direct employment of labour by the State or municipality. This is a most important issue, and may become the subject of political strife in the future, but I do not remember that the issue has hitherto even been defined. It is certainly not a burning party question now. Those who are in favour of direct employment are also in favour of state-regulation; those who condemn one as a rule condemn both.

Two years ago I wrote a paragraph about the Referendum. This democratic expedient has now been taken up by the Conservative Party, but I think that what I have said on the subject will be equally pleasing or displeasing to both parties; and I hope that, by allowing the passage to stand, I have not departed from my academic and impartial attitude. What I have been moved to say may have some bearing on practical affairs, but I trust it has little or no bearing on party politics.

Party discipline grows more stringent year by

year; caves and secessions seem to be out of fashion or impotent; the statesman who claims the right of independent, individual judgment, is excluded by the party machine from public affairs unless he is strong enough to capture the machine. The party system has reached the utmost point of perfection; it is not impossible that it should soon be superseded and pass away, as iron armour at its perfection was rendered useless by fire-arms, and stage-coaches at their highest point of development gave place to steam-railways. If it passes, it will leave few regrets in the minds of thinking men of this generation.

In this war of parties, as I conceive, both sides are right, for both perceive a separate aspect of the truth; both sides are wrong, for neither can afford to see the whole truth. Partisans of both sides have this in common that they are alike partisans; no partisan, as such, can conceive or comprehend a course of conduct that is not dictated by party feeling, or not likely to bring advantage to the party which he follows and drives. Hence the party solution of no problem can be satisfactory; if either party comes to a right decision on any point, it is because in that particular it has been free from party blindness. Fortunately there are still some questions which can be approached without party prepossessions.

The British characteristic is said to be a love of compromise. Compromise is a good way of settling conflicting claims, but a bad principle of conduct.

But the party system does not lead to compromise of the better kind, though it may, by neutralising the force of definite purpose, tend to compromise in matters where compromise is not profitable, as for instance in matters of national defence. An inclination to compromise on party questions is taken to show a fear of defeat, a consciousness of weakness, and is the signal for opposing partisans to redouble their efforts.

But the British public is not, in its essential character, partisan. It is a fighting and a sporting people; it loves the rough and tumble of a political conflict, it thrills to the close-run race, the alternating successes and reverses. It rejoices in the parliamentary duels of well-matched antagonists. But in its calmer moments it regards both sides with vague suspicion; it has an indistinct perception that neither side is so right as it pretends, that neither side is so wrong as its opponents represent it to be. Meanwhile it has a clear perception that its interests are being neglected, and that energies and talents could be more profitably employed than is permitted by the exigencies of party warfare. When half the nation is occupied in preventing the other half from doing what it wants or what its leaders encourage it to want, the practical needs of the nation suffer. If either party attains predominance for any considerable length of time it is driven by its own momentum, not forward, but to the side, to right

or left, as the case may be. When the adoption of a policy by one party renders it impossible for members of the other party to say one word in its favour or to admit that it can be otherwise than futile or disastrous, the reasonable and orderly progress of reform is transformed into a series of zigzag movements to right and left in which the forward motion is inconsiderable or absent altogether.

I have tried to show below that the well-being of the body politic is to be found, not in a state of conflict, but in a harmonious balance of opposing forces or tendencies—liberty and order, individualism and socialism, democracy and aristocracy, reform and conservation. This is the case in the natural body. Health in the adult body consists in the harmonious balance of anabolism and catabolism, nutrition and waste, the building up and the breaking down of tissue. Similarly in health there is a nice equilibrium of the heating and cooling mechanism. When there is a conflict in the human body, temperature rises, waste is in excess; when the balance is restored, strength does not at once return; time is needed to repair the ravages of internal strife. In the strong man, energy and self-control are in proper harmony. If there is a conflict in the mind, vacillation, anxiety, distress, uncertainty, take the place of courage, promptitude, purpose, and resolution. So, in the political body, the healthy condition is not a condition of chronic strife, but

a balanced movement, a due equilibrium, not such equilibrium as leads to immobility, but such a harmony of forces as produces orderly function, wise deliberation, and methodical progress.

This view of the conditions requisite for healthy national life may not be new, but it is certainly neglected. In my opinion, the true patriot would be in his single person both a Liberal and a Conservative, a socialist and an individualist, a democrat and an aristocrat ; his love of order would be tempered by his love of liberty. This creed I have attempted to develop below upon its several sides and in its various aspects. The existence of these opposing forces is fully recognised in our system of parties, but the isolation of them in organised and hostile bands of our fellow-citizens does not lead to harmony or balance ; it produces oscillation of policy, and useless expenditure of effort ; it paralyses the fraternal impulse, and legalises the disruptive manifestations of hatred, calumny, and faction. Rival advocates may assist an impartial and enlightened court to come to an equitable decision. But there is no impartial and disinterested tribunal above and outside the embattled factions ; the nation is the parties, the parties are the nation ; the parties are the Parliament, the Parliament is the parties ; even in a Cabinet there are wars of sections, Imperialists against idealists, Tariff Reformers against Conservatives ; these sectional and internal conflicts diminish the

small remaining progressive force that the party system has left in operation ; the nation is vaguely conscious that its interests are at stake, but the individuals which compose it are more acutely alive to those personal interests which are also engaged. If there is a certain wavering fraction which throws its weight now on one side, now on the other, this fraction does not include the strongest and wisest and most independent of our fellow-citizens, but the weakest, the least enlightened, and the most vacillating. And even the wisest in casting a vote must be well aware that they are only at liberty to choose the lesser of two evils.

I have no substitute for party government. The group system which prevails upon the Continent has nothing to recommend it. It leads to dishonourable compacts and log-rolling methods ; each section sells its help to the other members of the *bloc* or *cartel* ; the measures adopted are often not those of a compact and predominant party, but those which a system of groups extorts or permits ; the nation is sold and the factions receive the price. One can only work with the existing machinery, and trust that in the long run sound and sane opinion will assert itself ; that the practical national instinct for self-government, which has made our country what it is, will continue to preserve us from the grosser and more calamitous political blunders. National indifference is perhaps our greatest danger, and party

spirit, at any rate, furnishes a corrective, however imperfect, for indifference. But the party system places considerable power in the hands of the leaders. The decisions of a leader may be canvassed and bitterly decried in private or even in a section of the press of his own party; they are nevertheless accepted as a rule, for the penalty of overt disobedience or dissension is the weakening of the party, and the stronger the partisan spirit the stronger the coercion that can be applied to recalcitrant minorities within the party. Thus the leader of a party has occasional opportunities of diverting the forces of his party this way or that, which may, if wisely and courageously employed, make a considerable difference in the general trend of politics. More depends upon the leaders in this critical period of our history than is generally supposed. Their power is limited, for in each party there is a dominant spirit which may not be affronted or discouraged with impunity; for each party the general course is marked, but the leaders have a hand on the tiller, and some deviation to right or left is permissible; the sum of such deviations may make the difference between safety and disaster.

To talk about conferences is to talk about politics, but this is not a party question, so perhaps I may be permitted to say a word about this method of settling the affairs of the country, without departing from my academic attitude. In the first place the affairs of

the country were not settled by the Conference of 1910. It has yet to be seen whether any practical use can be made of this device, which is in theory beyond all question profitable, wise, and admirable. In the second place it is to be noticed that the Conference was very unpopular with partisans of both sides. Both parties were alarmed lest party advantage should accrue to the other side through admissions or concessions that might be made in the course of friendly and conciliatory discussion. Both parties were afraid that the fighting vigour of their rank and file should die down in the interval of truce. Neither side in the Conference could go beyond a certain point in concession or compromise for fear of splitting the parties for which they were spokesmen—without full powers or definite instructions, if not without credentials. But it is probable that both sides in the Conference went further in the way of concession and compromise than would ever be possible in that chronic condition of party warfare which we have come to regard as normal, though it is in reality a condition of disease. For questions which admit of compromise a permanent conference to meet on the formal requisition of the leaders of either side, with the object of arranging terms of agreement, might facilitate legislation on important subjects that do not at present divide the parties, might save a great deal of parliamentary time, and minimise the evils of party government. We are

destined, as things are going, to be governed more and more by one or the other Front Bench ; it would be better to be governed, so far as possible, by both Front Benches, than to be governed by either alone. A method of conference and mutual agreement might enable the legislature to deal with certain needful social reforms, such as the segregation of the feeble-minded, on which there is a strong consensus of instructed opinion, but no popular impulse, and no party advantage to be gained. Party leaders are in constant association with their own partisans ; they are constantly subjected to their pressure and their arguments ; the arguments of the other side are not arguments to be weighed but attacks to be rebutted ; a party leader who sees both sides of a question, in which his party is interested, is a bad party leader, though he may be an admirable statesman ; our system tends rather to develop party leaders than statesmen ; it would be an excellent training and discipline for our leading men to imprison them from time to time in an unheated atmosphere, where they would be obliged to listen with patience and courtesy to the views propounded by the other side in a persuasive and not a militant spirit.

Whether the Conference was popular with the nation as a whole I have not been able to determine. It is certain that the cessation of party warfare was a relief to the people. It would be a relief to a litigant to be told that, owing to the congestion

of the law courts, an important case, in which he was interested, could not come on for six months at least. It is not, however, probable that the news would be pleasing to him upon the whole, or that the delay would be advantageous to his interests. The nation, like the litigant, wants its disputes settled; if the Conference leads to a settlement hereafter, it will deserve to be popular; if it leads to many settlements of a peaceful kind, it will deserve to be remembered as one of the most fruitful efforts of constructive statesmanship; but it does not follow that it will be popular. The nation is deeply infected with partisanship; and to partisans the method of conference will always be distasteful. If there are more sensible people than incurable partisans among us, the Conference and future conferences will be popular, and increasingly popular as the partisan spirit dies down; but the Census will give us no information on this interesting question. I am afraid that people who take an interest in politics are almost invariably partisans; many of these are extremely sensible, but they are apt to be blind where party influence comes in. People who do not take an interest in politics may also be very sensible, but they carry no weight. If my little book did something to convince sensible people that a system which divides a nation on almost every vital question into bitter factions must in the long run be disastrous, and demands a remedy or several remedies, its object would be accomplished.

For if sensible people seriously and earnestly desire and demand a remedy, a remedy will be found.

Some of my later chapters deal with that thorough-going "Socialism" which aims at the nationalisation of all land, capital, firms, and businesses. This is not yet a party question ; it is suited to academic discussion. I do not mean that there is not a Socialist Party ; there is such a party, and its influence is growing ; but it is not as yet a responsible party in this country, and neither of the responsible parties has shown any inclination to adopt its extremer tenets. Universal Collective Ownership, to give the proposition most accurate and most convenient name, is, in serious politics, a purely academic proposition ; I believe it to be not only undesirable, but impracticable ; only fit to be discussed in lecture rooms, especially the lecture rooms of Laputa. Yet Universal Collective Ownership claims to be a practical policy ; it has a considerable support among the intellectuals, and perhaps in some sections of the working-class. It is not business nor is it amusing ; but it may be dangerous. I do not think it can be safely neglected whether in an academic discussion or in practical politics. The intellectuals of eighteenth-century France opened the door for revolution by weakening the convictions of the governing class ; our intellectuals are following the same line by playing with revolutionary forces ; it is not much use to argue with them, but, if they could take a

warning, they might remember the fate of Lavoisier. Revolutionary France had no need of chemists ; and revolutions in general are not likely to find much use for pure intellect, however emancipated. Between this kind of socialism and the socialism which is necessary to the welfare not only of the community but of the individuals which compose it, the socialism which is the antithesis and complement of individualism, there is a great difference. One may believe in the paramount rights of the community without ignoring the equal importance of individual rights, individualistic motives, and individual energy.

But the relation of the two responsible parties to socialism and individualism must be speedily settled ; otherwise we run the risk of being divided, not into Conservatives and Liberals or Progressives and Moderates, but into Socialists and Individualists. If the separation into two parties on existing lines is disastrous, the separation into two new parties, professing respectively socialistic and individualistic views, would be more calamitous still. In the first place, it would mean a break with all the historical traditions of the parties. The Conservative Party stood for the traditional order of the State; they made head against the disintegrating forces of unlimited competition. They cannot, therefore, without abandoning all that is best worth preserving in their traditions, become a party of individualists. The

Liberals, on the other hand, stood for individual liberty; and any reasonable degree of individual liberty is inconsistent with the preponderance of socialism. In the second place, no rational party can be based on exclusive care either for the individual or for the community; either party, to deserve any claim to statesmanship, must aim at least at a well-proportioned consideration both for individuals and for the State. In the third place, we are wedded to democracy; no tolerable substitute for it is in sight; and a socialistic government could not, as I have endeavoured to show below, be based on democracy. Finally, a party division into socialists and individualists must come ultimately to a division into rich and poor, the most calamitous of all partitions of the State. For, although rich people may play with the notion of Universal Collective Ownership, they cannot imagine that such a scheme could be to their individual advantage, and individual advantage is certain in the long run to prevail over sentimental prepossessions; the poor, on the other hand, might well imagine that the State would be for them a better master than the general run of masters; an erroneous opinion, as I believe, but one that could only be confuted by experience. At present some of us fancy that we are individualists, and some of us are convinced that we are socialists; but a taste of the exclusive rule of individualism, or experience of the

exclusive rule of socialism, would soon bring home to all alike that the welfare of the State is essential to the individual, and that considerable freedom of individual initiative is indispensable to the welfare of the State, as well as to individual happiness.

CHAPTER I

LIBERTY

THE conception of liberty has inspired many eloquent tirades and philosophical disquisitions. But, in plain language, liberty or freedom is exemption from external restraint and coercion. Thus unqualified, liberty is not necessarily advantageous to the individual, or even pleasurable. The removal of restraint and coercion, to which we have grown accustomed, may be irksome, as when an active man retires from business. If customary restraints are at the same time removed from other individuals or all individuals, painful accidents will at once result, as at the French Revolution. If every man could do what he pleased without regard to the rights of others the result would be a chaos of force and fraud. The rights of others, and the needs of the community, impose upon each and all in the freest State an infinity of external restraints which are lightly borne through the influence of use and wont, but are nevertheless indispensable to order. The internal restraints which preserve each of us from

constant collision with the law and the police are themselves the product of external influences—contact with the world, training, teaching, and discipline. Those who praise liberty, know not as a rule what they praise; but, in fact, they praise no absolute emancipation from external restraint, but the absence of arbitrary, unreasonable, and unnecessary restraints; they are generally inspired by an emotional consciousness or memory of present or past constraint—the rule of a foreign nation, the rule of an arrogant and dominant caste, the rule of an autocratic monarch.

In society liberty and order are two complementary ideals; on the balance and harmony between these two depends the well-being of society. The more liberty, the more vigour, enterprise, and individuality, but also the more advantage to the strong, the more oppression of the weak, the more disorder and waste of energy. The ideal of anarchy postulates absolute liberty, but it also postulates a degree of self-discipline and self-restraint which has never been realised and is never likely to be realised among human beings. Putting anarchists aside, some publicists will lay more stress on liberty and the free evolution of individual character and individual effort; others will lay more stress on the need for regulation, direction, prohibition, and limitation. But none will deny the need for order, law, and obedience, none will

deny the advantages of reasonable liberty, though there may be differences as to the interpretation of this term. The feeling that old restrictions and ascendancies were obsolete, unreasonable, and unnecessary, gave rise to the old school of Liberals who aimed at the abolition of the authority of the Church and the landed gentry, at Free Trade, free contract, free competition, and, rather inconsistently, at freedom of combination. Their destructive activity and excessive belief in the virtues of individual liberty produced the Conservative party, who strove to maintain old custom and old institutions, and at the same time supported laws for the regulation of the conditions of work in factories and mines. A like opposition is evident in the more modern schools of individualism and socialism. The present confusion of our parties is due to the fact that liberty has become excessive, and no party can any longer frankly espouse its cause. The need for consolidation, for new constructive and regulating legislation, is patent to all. In the attempt to construct, more diversity of governing principles must necessarily come to light. The Conservatives cannot be individualists, they hate to be called socialists. The Liberals are by tradition individualists, but even Gladstone was forced in Ireland to interfere with freedom of contract. Thus new oppositions are disclosed; aristocracy against democracy, the State against the Church, the poor against

the rich, capital against labour, the leaders on both sides against the followers. These oppositions also require to be reconciled, but the need for a balance between liberty and order is the most fundamental.

The popular conception of liberty as an ideal is generally shaped by the pressure of some particular and galling restraints felt at the moment to be unendurable. Hence the conception of liberty varies with the change of circumstances. One of its antitheses, personal slavery, has been eliminated from the societies with which this inquiry is concerned. Another, the political domination of a class or of a monarch, is at an end in western Europe. Three revolutions are supposed to have completed the political emancipation of France. In Great Britain the casual injustice of laws and governments is not enough to shake our consciousness of political freedom. Yet in Ireland similar laws and similar government are resented as a wrongful diminution of liberty; the special laws which are needed to resist the expression of that resentment aggravate the feeling of injustice. Under political conditions apparently less favourable, Scotland is conscious of freedom, while Ireland demands her liberty. What we call freedom in a State or a people is the absence of external restrictions which are felt to be unjust, unreasonable, or unnecessary. And in any country, which as a whole is conscious of its freedom, there

may be individuals or classes conscious of imperfect liberty.

Thus the desire for liberty, for more liberty, which is always present, actually or potentially, in human minds, takes different forms at different times. At one time personal liberty may be deficient; at another political liberty; in the last age economic liberty has been consciously or unconsciously the supreme desire of Englishmen. In the Free-Trade era this desire led to excessive individualism; freedom to buy and sell commodities or services was regarded as the one thing necessary; gradually it was discovered that the right to make the best bargain often meant only the necessity to make the worst; so that men began willingly to accept restrictions in the form of Factory Acts, and to surrender their individual initiative to Trade Unions and combinations. The complete independence of the individual was found to be inconsistent with well-being.

At the same time the study of economic and social conditions progressed apace; and the theory of Economics passed through similar transitions. The founders of the individualistic school of Political Economy discovered a fact which filled them with wonder and admiration. They noted for the first time that every man in seeking his own individual advantage was contributing to the joint work of the economic community. They did not realise

that society, having existed for hundreds of years on a more or less individualistic basis, could never have reached the perfection which they so much admired had not the necessary adjustments been made, the necessary restrictions been voluntarily accepted, the necessary traditions been built up. Their followers leapt to the conclusion that freedom of competition, freedom of individual initiative, were the sole needs of society. They did not realise that the well-being of society, such as it was, depended on the balance between existing restrictions—imposed by custom more than by law—and the active forces of individual industry and greed. They saw that the industrial revolution had vastly increased the production of wealth; they did not at first perceive that it had introduced new conditions to which the old customs and traditions were not applicable, for which new regulations were needed. The results can be read in the reports of Commissions and Committees dealing with the condition of England in 1840–50. But the teaching which prohibited interference with industrial and commercial competition died hard; *laissez faire* as a principle of statesmanship is perhaps not yet dead; and it is after all one aspect of many-sided truth.

The study of economic facts and forces, as it progressed, induced by degrees a different attitude of mind. So long as the attention of economists was mainly diverted to the beneficial interplay of

individual forces under a competitive system, it seemed to them hopeless to attempt to regulate or direct the operations of individuals, each of whom understood his own affairs better than anyone else. But gradually, as the structure of the economic community came to be better understood, it grew clear that we were not concerned merely with the chance coordination of individual effort, but also, among other things, with purposeful organisation.

The old organisation was local and hereditary. Men comparatively seldom left their native place; the son followed in his father's footsteps; new trades were seldom invented. Training for the young was provided by the apprenticeship system; an easy ladder existed in most trades from apprentice through journeyman to master. The groups were small and fluctuations other than those caused by war and famine were rare. Miscalculation was less common, since the needs of a district could be more easily foreseen than the needs of the world. Prices and wages were largely fixed by custom.

The new organisation was improvised. Men were formed at haphazard into huge industrial groups. No provision was made for suitable housing, for sanitary conditions in workshops or mines; no custom existed to regulate the employment of women or children. Prices fluctuated with the infinite vicissitudes of the world market; wages were fixed by the higgling of the market. No system of

training was adopted for the young; industrial training was acquired by chance. No machinery existed to coordinate the supply of labour to the demand. Things moved too fast to allow of the growth of salutary custom. Such organisation as existed was the work of individuals working for their own profit, ignorant of the needs of the community, careless of the future of the race. It became necessary for the legislature to intervene; the most glaring evils were checked; and a system of compulsory education was evolved which was intended to supply the lack of industrial training. The defects of that system of education have become patent; the need for methodical coordination in our industrial system is widely felt. But the problems are complicated and arduous; on the one hand the habit of discipline and self-denial is impaired; men are unaccustomed to control and impatient of restrictions; on the other hand more is expected of legislation than legislation can perform.

Customs change; they can be deliberately changed, though they present an obstinate resistance to the operation of outside influence, and often defy even the tyranny of circumstance. But legislation is the conscious work of man; and, when once men came to see that existing social and economic conditions were capable of modification by law, the old feeling of blind acquiescence in the existing distribution of wealth and the actual condi-

tions of industry was at an end. At one time, when a man was poor, he looked upon his condition as the dispensation of providence, or, at least, as inevitable. Now poverty is regarded as the result of the operations of man; it is resented as an injustice and believed to be capable of remedy by law. Yet law is a clumsy instrument, and the mechanism of society infinitely delicate. The best devised laws have reactions and unforeseen consequences that impair their benefits. The laws imposing on employers liability for accidents to their workmen have made it more difficult for elderly men to get a job. The regulations of trade unions, necessary perhaps for the protection of the majority, are said to have a similar result. Laws prohibiting the work of women in factories for a fixed period before and after confinement have had the undesired effect of reducing the birth-rate. More drastic measures would carry with them graver consequences, not foreseen or intended. War, famine, and pestilence are not comparable in their devastating power with the havoc which one legislative act might cause.

Yet the need of more order in our social system is evident; and, since new customs cannot be hastily created, legislative methods are needed. The best laws are the most elastic; and the most elastic measures are those which give to public bodies acting through their trained inspectors limited discretion of regulation and persuasive control. Yet every law is a

diminution of liberty; and those who are most expectant of legislative benefits are those who are least prepared to yield up any part of their individual independence. The legislative reformer has not only to cope with vested interests that are linked with existing abuses, but with the lack of discipline that has been fostered by half a century of *laissez faire*.

Liberty is only the enemy of order when the claims of liberty are excessive. Order is inconsistent with reasonable liberty only when order is rigid, uncompromising, and unintelligent. It must be admitted that order is prone to these defects, but liberty is at the present and in this country more extravagant in its claims.

The period of our history, from about 1830 to 1880, when all England was in love with economic liberty, and thought that nothing else was needed for the perfection of humanity, chanced also to be the period during which democracy was gradually being introduced into our political system. Democracy is often thought to be closely connected with liberty of the individual. But there is no necessary or even probable connexion between them. The establishment of democracy means the emancipation of the people, and especially of the masses of the people, as a whole. Their will, so far as it can be ascertained, governs public policy. The leaders depend upon the good will of the people. The people, as a whole, become the masters, in a certain limited

sense ; for they cannot formulate their desires or execute their own commands, and they are dependent in large measure upon those persons who act as their instruments. But the liberty of the people is very far from being the same thing as the liberty of the individual. The liberty of the people is the liberty to issue commands and to delegate powers ; every command that it issues diminishes the liberty of the individual ; every power that it delegates trenches on the freedom of some persons or classes. There are signs that the people of England have discovered that it is in their power to pass laws that will affect the welfare of the masses, and not merely alter the political constitution of the country. There are signs that the people are dissatisfied with the disorderly system that has resulted from the system of letting things and people alone. Popular desires are at present vague, but any persuasive leader can command considerable support for any scheme that promises an improvement in the condition of the lower classes. Legislation of some sort or another is certain to result ; it depends upon the wisdom of the leaders and upon the common sense of the people whether that legislation is disastrous or salutary in its results. But in any case such legislation is certain to impose some restrictions on individual liberty.

The discovery which has been made by the British democracy of the power which lies in its hands by

way of legislation may be compared to a similar discovery made by the Roman people. From an early time the Roman people, *populus* or *plebs*, could make laws ; but the executive government lay in the hands of the magistrates, controlled by the Senate. The Gracchi discovered that a law could be made ordering a revolutionary change, and creating its own executive machinery. The immediate and ultimate results were not beneficial either to the inventive tribunes or to the Roman people, but the procedure was not forgotten. It bore fruit in many incidents, of which it is only necessary to recall the laws which gave to Pompey the command against the Mediterranean pirates, and against Mithradates, and to Caesar absolute authority in Gaul. The result, within a hundred years, was the establishment of the most powerful autocracy which the world has ever seen. The Roman people exchanged their Senate for an Emperor.

In that case the emancipation of the sovereign people did not lead up to liberty, political or economic, collective or individual. There are, in fact, two liberties : the liberty of the people and the liberty of the individual. These two liberties are in large measure antagonistic. If you emancipate the people from the oppressive rule of a monarch, of a class, of a system, of a foreign power, an immediate and pervasive feeling of individual liberty will result. Galling restrictions have been removed. But if you

place in the hands of the people machinery which enables them to execute their will, that will can only be executed at the expense of individual liberty. There is thus no essential relation between democracy and individual liberty.

The democracy may sign away its power, as it did at Rome, and abandon the attempt to maintain collective or individual liberty. Or again, it may confine its activity to a watchful guardianship of individual rights. But it may also develop a will of its own, and find leaders capable of carrying that will into effect. If so, its will can only be realised at the expense of individual independence. Those who under democratic conditions cherish the ideal of individual liberty must rely on the fact that the collective will is vague and uncertain as to ends, and as to means dependent upon individuals, while individual interests are conscious, resolute, vociferous, resourceful, and tenacious. The stronghold of the individualist is not in the strength but in the weakness of democracy.

It happens that the development of democracy in this country has been contemporaneous with the absence of restrictions, just or unjust, on the freedom of individuals. But that age of economic anarchy is slowly passing away. The sphere of public control is certain to be progressively extended ; restrictions will surely be imposed which the exceptional individual will feel to be unjust ; it may even

be that the inexorable trend of events and the sequence of public policy will lead to restrictions the justice of which will be admitted by few, but which all will be compelled to obey. If the State accepts its responsibility for the condition of the people in all its aspects, that responsibility cannot be met without restrictions inconsistent with individual liberty. The liberty of the State to take such action as it thinks wise is inconsistent with the complete emancipation of the unit. The ideal policy would result in a just and harmonious balance of the claims of the individual and the interests of the community.

Individual economic liberty may be held to include the following rights : the right to use property at discretion, to do what one pleases with one's own ; the right to exert individual powers and to enjoy the proceeds of individual industry ; the right to make and to enforce contracts ; the right to satisfy material needs ; the right to combine. Every one of these individualistic rights may conflict with some right claimed by another individual. Each and all of them may conflict with the right of the community to protect its own well-being. The resulting complex of rights and duties must be a compromise, varying from time to time with the sense of justice immanent in the community, and with the degree of

success attained in satisfying the common desire for justice.

The sense of the rights of property is deeply ingrained in the common mind by training, custom, tradition, law, perhaps even by hereditary instinct. The respect for the property of others which is so marked in all but a small minority of British citizens has as its correlative the claim to uncontrolled disposal of individual possessions, the claim to do what one pleases with one's own. Nowhere is this claim stronger than among peasants, prosperous artisans, and small tradesmen. Any tampering with this respect, any unnecessary restriction of this right, would not only violate our innate sense of justice; it would tend to paralyse the strongest impulse to industry, frugality, invention, and profitable activity. But it must always be remembered that the State protects the individual in the enjoyment of his proprietary rights; that the possessions of the individual are never the result of his unaided efforts, but always in part the product of social activity; that his income comes to him from the cooperative energy of the social machine; that no man can stand alone; that all depend upon society. This is equally true of the manual labourer and of the capitalist. The community is a partner in every industrial and commercial transaction. The liberty which it allows to its individual associates is a matter of policy; the point at which it may step in to regulate the use of

property is a question to be decided by considerations of expediency, convenience, economy, and above all of justice. The public advantage in its broadest sense must be the governing factor in deciding all questions of restriction and emancipation. Each case must be decided on its merits. No abstract principles of universal application can be laid down. But it seems reasonable to regard the existing distribution of property as the result of an infinite number of implicit and explicit contracts between individuals, and between individuals and the community; the terms of these contracts can be altered as regards the future without injustice, but retrospective changes would involve a violation of the conditions under which past generations have lived and worked.

If the right to use property during life is subject to qualification, still more so is the right to bequeath property after death. The right of inheritance by succession or bequest seems to us, by force of habit and tradition, very natural. It is moreover expedient, under existing conditions, that individuals should be encouraged to exertion by the prospect of securing to their posterity an enviable future. But it must not be forgotten that succession by bequest or inheritance is an artificial system, deliberately created by law, that is, by the will of the community. In primitive conditions, the strong man dead, his property fell to the strongest who was at hand. In less primitive conditions a

man's property passed to his heirs, but custom prescribed who those heirs should be. The right to devise property by will has, in Europe at least, grown up in historical times. The Romans developed the system of testation; the Church introduced it into this country. Eventually, it was found necessary to limit the right of that great institution to receive gifts or bequests of land; the Statutes of Mortmain were passed, and later extended to other corporations. Whatever public policy may dictate as to bequests to individuals, the right of the community to regulate bequests to institutions has not hitherto been sufficiently protected. That an individual should exercise without control the right to endow in perpetuity institutions which may be useless, if not harmful, is unjust and inexpedient. All such gifts or bequests should be scrutinised when they are made, and revised from time to time by the public authority.

The right to exercise individual gifts, to follow any pursuit that is indicated by personal advantage or inclination, and to receive the emoluments that may result, is one that is, on the whole, advantageous to the community. The community is not, as a rule, in the position to say that it requires this new commodity, this or that economy, this invention, that discovery, or that piece of new organisation. Still less will it ever be in a position to predict which individual is likely to pursue any particular calling with advantage to himself and the public.

But it may lay down that certain callings may not be pursued at all; and that others may only be followed under given restrictions. The regulation of sweated industries will find its most serious obstacles, not in the greed of masters or foremen or middlemen, but in the demand for individual liberty of self-degradation, proceeding, under existing conditions, from certain unfortunate classes. But the prerogative of the community to protect itself from such invasive poison is indefeasible. On the other hand, those who are dispossessed of a livelihood, however loathsome and precarious, must, if their dispossession results from the deliberate action of the community, become the object of special and temporary care. In such submerged strata the conception of liberty has no value and little meaning. Coercion on the one hand, and protection on the other, are necessary.

The right to make and enforce contracts has limitations which are, at least in theory, generally recognised. Any contract may be made and the vast majority of contracts require no revision; but no contract can be enforced without the assistance of the public authority and therefore no contract can be enforced without its consent. The legal doctrine, that contracts which are contrary to public policy should not be enforced, is sufficient for all practical purposes: it only requires to be extended and interpreted.

The right of all to food, shelter, and clothing on

certain conditions has been recognised in this country since the time of Elizabeth. That claim of the individual on the community can hardly at this date be controverted. It is recognised in the casual ward, in the workhouse, in the asylum, and in the prison. But the counterclaim of the community on the individual has been imperfectly enforced. Since 1834, the policy has been to make the conditions of public relief so disagreeable that the average individual will use all his power to avoid the necessity of resorting to the assistance of the Poor Law. That policy has been effective, as regards the great majority. Many of the chief organised trades have their own machinery for insuring against unemployment. In addition, there are Friendly Societies, which insure against illness and accident. Further, we have the Employers' Liability Acts, which carry the principle of insurance a little further. A great scheme of insurance against sickness, incapacitation, and unemployment is at this moment working its slow way through the House of Commons. In such provisions and in the old age pensions we have measures which go far to protect the average efficient individual, though not perhaps far enough. But what of those who take all they can get and render nothing in return? For them coercive, disciplinary, corrective machinery is needed. The workhouse and the casual ward have been lately rendered less repulsive; that is very well so far as the victims of undeserved misfortune are

concerned; but the community needs protection against those for whom the Poor Law has no terrors. Their individual liberty of cadging, loafing, sponging, tramping, begging, fortified by the security of the casual ward and the workhouse, needs retrenchment. In youth discipline and instruction, in maturer years coercion and penal labour, are needed to redress the balance between the community and those who desire no regular employment. It must not be forgotten that every individual pauper, man, woman, and child, costs the community on the average nearly as much as is sufficient to support an agricultural labourer with his family. What they consume is docked from the substance, not of the rich, but of those who are on the fringe of honest and persistent labour.¹

The right to sustenance is recognised by law; some demand in addition that the community should provide work for all those who cannot or do not find it for themselves. Such experiments have been tried, but they have always proved wasteful and costly. It is cheaper to feed the necessitous than to feed them and find them work as well. The adjustment of labour to employment is best effected by allowing every man to seek such work as suits him; by assisting and sustaining him if necessary in the search for such work; by organisation designed to facilitate the meeting of employers and workmen; and by coercion to prevent the search being relaxed. Poverty is the most effec-

¹ See below, Chapter VI, p. 113.

tive form of coercion, provided that it does not become chronic; and any humanitarian efforts to diminish the pinch of poverty can only aggravate the evil, if they diminish the stimulating effect of want.

The community can only as a temporary measure make work for those who need it; and then that work will be unremunerative and unsuited to the qualifications of specialised workmen. Some system on the one hand of universal compulsory insurance against unemployment, and on the other hand of penal labour for the recalcitrant, combined with improved organisation, is perhaps the best which the community can provide in addition to its existing machinery.

The right to combine is an individual right; but it involves the resignation of other individual rights. The man who joins a trade union, the master who joins a masters' association, by so much resigns his individual freedom of competition. Of old the State looked askance on all combinations other than itself and its parts; guilds required royal licenses, trading companies royal charters; in more recent times restrictions on combination have been removed, and the formation of companies of various kinds has been facilitated. Nowadays there is hardly any limit placed on the freedom of combination; and the only restraint that is necessary is that combinations which are contrary to the public advantage should be limited, controlled, or dissolved.

But it must be remembered that every combination involves the diminution of individual liberty; and that in many cases the ends, which voluntary combinations subserve, could be better secured by public action. Combinations for the pursuit of political ends or social fads are carried to excess. The success of one league necessitates the formation of another to counteract it. A society for some laudable object, for the prevention of some evil, sinks into obscurity if that evil is prevented; to maintain its existence, it must advertise itself by notorious activity. If the public is virtuous it must nevertheless be dragooned for fear that subscriptions should fall off. Hence arise much fruitless effort and occasional abuses.

The age when individual liberty could be regarded as in itself a single and all-sufficing ideal is past. The French Revolution adopted Liberty as the first and most inspiring title in its triple watch-word. But it also adopted Equality as its final aspiration. The most practical political interpretation of the term "equality" is universal suffrage. Universal suffrage may be used to sweep away restrictions and artificial distinctions. But it may also be used to impose the will of the majority of the community upon individuals. In so far as representative institutions based upon universal or extended suffrage enable the will of the people to become articulate and effective they are likely to lead to diminution of

individual liberty. No monarchy, no oligarchy, ever wielded the force which would reside in a people conscious of its wants and convinced that the means exist for their attainment. The liberty of the community to take such measures, to impose such regulations, as it conceives to be necessary for its own well-being, cannot be gainsaid. On the other hand, a just measure of individual liberty is not only a priceless personal possession; it is essential to the vigour, the prosperity, the progress of the community. And thus, in the problem of reconciling democracy with liberty, we come to the problem of the just balance between individualism and socialism.

On the other hand, universal suffrage is only an imperfect means of ascertaining the will of the community. Every voter votes as an individual, and is swayed by his individual interests. He may be willing enough to restrict the individual liberty of others ; he will be jealous of his own. Every interest, every combination, in exercising its political powers, will be swayed by individualistic motives. Every class, every group, will endeavour to get the advantage in its bargain with the State. Further, the mass of voters will tend to sympathise with any group of individuals (especially if they are in a humble rank of life) whose interests are in conflict with the interests of the State. The individualist bias in human nature is exceedingly strong. These

influences will delay the imposition of restrictions upon individual liberty, will weaken the hands of the public authority in every direction, and will tend to make its action depend upon clear and immediate benefits to persons or groups, rather than upon the less tangible and visible benefits resulting to the community at large. The democracy will always be an imperfect exponent of socialism. Democracy may supply the driving force ; without the willing consent of the majority all efforts at amelioration must fail ; but trained minds, systematised experience, and accumulated knowledge, are needed for the purposeful execution of the vague aspirations of the general will.

Finally, it may be useful to point out that the freedom to pursue any course of action is not the same as the power to follow out that course. I am free to go to the south of France in the winter, to Norway in the summer ; but I cannot go there unless I have the necessary wealth and leisure. I am free to rise to any position in the State, but I cannot rise unless I have the ability and some opportunities. I am free to produce works of genius, but I cannot produce them unless I possess genius. The sense of cramping limitations, of narrow outlook, of inadequate room for personal development, which afflicts so many of our partly-educated, tolerably-gifted youth in both sexes, is not due to lack of liberty but to lack of power, lack

of personal capacity or material resources. Perfect self-development is an expensive luxury, and can never be enjoyed by all, or even by the majority. The wealth of the community is never likely to be sufficient to supply all with the means to satisfy even moderate desires, nor is personal capacity for high cultivation ever likely to be the birth-right of more than a small fraction of the community. Equal liberty, ordered on a harmonious plan, is an ideal to which we may hope to draw ever nearer. But equality of power, equal power to develop gifts, character, and activities, is not even an ideal; any attempts to produce equality of power by strict equalisation of wealth and opportunities can only be made at the expense of the higher and more gifted natures, those which enrich the permanent heritage of humanity. If it were necessary to justify the ways of God to man, there are compensations; for the highest natures are often the most unhappy; far happier the humble man who is suited to his humble position and his humble work in life.

CHAPTER II

FRATERNITY

THE magnificent idealism of the French Revolution placed universal brotherhood second in its trinity of aspirations. The reality, as we know, fell short of the ideal. The revolutionary brotherhood was a discordant family. Fervent idealists sent their brothers to the guillotine. Neighbouring peoples were forced to accept fraternity at the point of the sword. France and Europe as a whole are not much more brotherly to-day than they were before the Revolution. Yet ideals must not be judged by achievements. Neighbourly love is not only enjoined by Christ's supreme behest; it is not only the principle that differentiates the Christian system from that of most other religions; it is the cohesive power in society, which would otherwise be burst asunder by the animosities of men. Hatred can be disciplined and controlled by self-interest and the institutions that self-interest prompts men to create; but these influences could hardly prevail were not mutual attraction on the whole stronger among

men than mutual repulsion. But it requires misfortune to bring forth the full strength of the fraternal sentiment. Man is compounded of the brute and the god; he is swift to hatred and jealousy, but still more prone to pity; and no moral quality that he possesses so far differentiates him from the beast as the compassion that he is capable of feeling for his unfortunate and suffering brother.

Fraternity among nations is an elusive and hitherto unattainable ideal. There has indeed been peace among the western peoples of Europe for a whole generation; and such great wars as have visited the European community during the last thirty years have been waged with alien or distant powers, in Turkey, in Asia, in Egypt, or in Africa. But the peace has been an unnatural peace—the outcome of the jealousies or the fears of rival nations, not of their mutual good-will; a peace careworn with preparation for war, with constantly increasing armaments on land and sea. It has retarded the inevitable extension of the European system over the Balkan peninsula and Asia Minor. No nation can afford to regard this peace as part of the permanent order of things; no nation can afford to relax its efforts. If any are to disarm, all must disarm at once. Limitation of armaments by common consent is impossible, for who is to fix the relative strength of the several powers which is to result from limitation? If peaceful sentiment made disproportionate progress

in any one country, that country would be marked out, sooner or later, as the victim of its less sentimental rivals. Fraternity cannot yet be usefully regarded as a cosmopolitan and international force; the limits of its action must be, for the present, with trifling exceptions, conterminous with national or political boundaries.

Within the nation, if natural love, comradeship, friendship, neighbourly feeling, are necessary to social harmony, the same cannot be said without qualification of the indiscriminate extension of the sentiment of compassion, and of the acts which are prompted by that sentiment. The most noble natures are the most compassionate; but man may be ruined by his virtues as well as by his vices; still more may his virtues degrade and demoralise his neighbours. There is much truth in the saying that charity creates half the evils which it relieves, but does not relieve half the evils which it creates. Even the most carefully constructed instruments of charity—the workhouse, the casual ward, the asylum, the hospital—are melancholy monuments showing the impotence of human effort to diminish by such palliatives the wreckage of human life and the sum of human anguish. Yet the sentiment of compassion reigns; its rule seems to become every day more strong; the rigid intellectual may talk of lethal chambers as the most merciful expedient for purging society of its waste; but even he would shudder, did

it fall within his functions to carry out his own scheme ; and if he could harden his own heart, he could not harden the heart of his neighbours. The behest of public opinion is that we must at all costs keep our fellows alive ; and the road of extermination is not open to compassion. Death may seem to us more merciful than degradation, destitution, the workhouse, the prison, or the asylum ; but it is not an admissible alternative. Compassion must be reckoned with as a powerful social force ; unschooled, capricious, misdirected, it may be a grave social danger ; but wisely controlled, beneficently concentrated, scientifically instructed, it may be the chief influence in the improvement of society.

Untutored compassion takes an individualistic view ; its care is for the individual ; provided it can relieve a want, or save a life, it has no care for the welfare of society. It does not count the cost, or reckon out who will foot the bill. The compassionate person suffers for his neighbour ; his first thought is to relieve his own vicarious suffering ; his last thought is for the ulterior consequences of his action. A great part of so-called "Socialism" is merely such compassionate individualism, thinly disguised and claiming to use the forces of society for the redress of individual misfortune. But true socialism aims at the well-being of the community ; the well-being of individuals is bound up in the welfare of the community ; and true socialism will find in the

powerful sentiment of compassion, wisely directed to attainable and beneficent ends, its most powerful ally.

The preliminaries of such an alliance have already been signed; but there is much to be done before the final conditions are settled, and ratifications have been exchanged. Unfortunately, the greatest socialistic institution of the middle ages has in this country been broken into warring fragments. The Holy Catholic Church, with all its defects, was a mightier instrument for the moral and material amelioration of Europe than any which now exists. Its watchword of faith, hope, and charity enshrines a nobler ideal than the triad of liberty, fraternity, equality. The mystical union of all Christian people to seek Christian ends has suffered, at least outwardly, a lamentable dissolution. The seamless garment has been torn and torn again. Henry VIII sanctioned the principle of schism in this country; the principal was too congenial to individualistic Englishmen not to receive extended application. Instead of the organised union of all Christian people for Christian ends, we have a chaos of warring sects. The main branch of the dismembered tree, the Anglican Church, has been subjected to the State which denies to it all competence to legislate for itself, and declines to legislate on its behalf. Yet in the earnest social work of Churchmen of all denominations which has been so conspicuous a

development of the latest ages we have a beginning of that orderly and efficacious application of the sentiment of compassion to the furthering of social ends which is our principal need to-day. Unfortunately—the fact has been noted by others—the pressing need of economic reform hitherto neglected by the State has tended to divorce the Churches from their highest function of ministering to men's spiritual needs, and to turn an excessive part of their activity into materialistic channels. And in any case the lack of unity of direction, the lack of coercive force, unfits the Churches for the execution of anything like comprehensive social reform. They can only nibble at the fringes of disorder; they cannot remove its causes.

The same is true of such well-conceived efforts as the Charity Organisation Society, and the numerous Settlements in poor districts. But these widespread—though uncoordinated—forms of compassionate activity have resulted in an immense increase in our knowledge of social conditions. There is stored in the minds of clergymen, poor-law guardians, and others, a vast amount of detailed knowledge as to the life of the people, its varieties, and vicissitudes. The compassionate spirit, perhaps not less than the scientific, has also inspired a number of careful studies of individual industries, and of various forms of trade combinations. Royal Commissions and other public inquiries have added something to our

systematised knowledge. In new countries, *e.g.*, in some of the Australian States, experiments have been made, the results of which are accessible in reports and through the persons who have been directly concerned in carrying them out. When the State seriously undertakes to deal with such questions as those of the sweated industries, the unemployed, and the unemployable, it will have a great force of compassionate sentiment behind it, and it will not lack experienced advisers. The growing interest shown by members of Parliament and statesmen in all questions of social reform seems to show that this time is not far distant. It is hardly necessary to point out that any such reforms must be directed to the cure of the malady, not to the treatment of the symptoms. A minute acquaintance with social facts, a first-hand knowledge of the complexity of the social machine and its intricate actions and reactions, are needed on the one hand; on the other hand the philosophy of credit, of finance, of supply and demand, cannot be neglected with impunity. The statesman needs to know man as an individual; he needs to know him in his groups, his classes, and his parties; but he must also be capable of comprehending the corporate life and physiology of the community. Physical science is completed by the laboratory and the microscope on the one hand, and by the command of abstract theory on the other. Social science requires a similar

combination of concrete and practical experience with philosophic insight and enlightenment. It is unfortunate that the double qualification is rarely found in the same person.

Ignorance and a narrow outlook are a great obstacle to successful social reform; but party spirit and party jealousy are even a greater hindrance. Each party has its own nostrums, and opposes the schemes of the other, not upon their merits, but to prevent its opponents from obtaining credit for a popular or a beneficial measure. Great changes are brought hurriedly forward, discussed, and amended among the clash of party warfare. Beneficent legislation takes the form of a bribe; the most noble motives are mixed up with the most sordid; reform is tainted with self-seeking, opposition and criticism are inspired by jealousy and bias; the effect upon the constituencies is more studied than the effect upon the nation. If it were possible to withdraw any part of politics from the field of party strife, questions of social reform should be so withdrawn. Unfortunately, no part of politics promises greater possibility of party advantage.

The strength of the compassionate sentiment, which is the chief subject of this essay, cannot, so far as these islands are concerned, be denied. It will constitute the necessary motive force for the required legislation. Meanwhile it produces such undesirable manifestations as the unceasing and shameless tout-

ing of rival charitable concerns, and the existence of charitable institutions whose benefits are conferred in accordance with the votes of subscribers. The amount of useless effort involved in beating up subscriptions and votes is lamentable. It is probable that right-minded people would contribute much more liberally to such institutions, if they were satisfied that every penny they gave would be strictly applied to the purpose they wished to forward, and if they did not feel an inward misgiving that their less charitable neighbours were being insured against intolerable social evils at their expense. We boast of our enormous expenditure in charity. But taken altogether it would not amount to more than a few pennies on the Income Tax. And a great part of the wealth devoted to hospitals and the like is only relinquished at death by owners who have no further use for it. No one can say what proportion of charitable expenditure is due to the desire of self-advertisement, to personal and sordid ambitions, and how much petty and envious strife enters into the system of undertakings reputed as charitable, how much unremunerated and unre-munerative labour is expended in the pushing of minor charities. But, in spite of all such doubts, there is no question of the strength of general compassionate feeling, much of it irrational and even harmful in its existing action, but all of it available for the support of any statesman

who could harness it to the car of social reform.

There remains a curious problem to be solved. It would appear that this compassionate feeling is strongest in these islands; and in these islands strongest in England. Any one who has lived in Germany and France must know that, although socialistic feeling is strong in those countries, private charitable enterprise is comparatively deficient. The field that is filled here by spontaneous effort is largely filled there by the State, which supplies hospitals and similar institutions. It does not seem probable that we in England are by nature or by grace supplied with a double dose of Christian charity. The following considerations may afford a tentative and doubtful solution. In these islands, owing to the unimpeded operation of the industrial revolution, we have been continuously for over a hundred years confronted with a greater amount of individual suffering produced by economic causes beyond the control of the individuals concerned, than has been the case with any of the European countries, except Russia, where public opinion hardly exists. Moreover, we have been blessed, owing to our insular position, with a greater immunity from external pressure, so that our individual hardships have been more in evidence. Further, we have secured, during a long period of unexampled collective material prosperity, a greater amount of

collective wealth, and therefore we have a larger number of comfortable and leisured people whose attention has been drawn to such questions. Again, our Press has had a freer hand to comment upon any matters of public or sensational interest; and, finally, our State, owing to the predominance of the *laissez faire* principle, has done less than any other to remedy accidental disorders. This explanation may not be sufficient; but the sentiment of compassion in these islands cannot be gainsaid, and the political history of this century will be largely occupied with the measures devised, wisely or unwisely, to satisfy that sentiment. Whether that sentiment is used to support measures framed in the true interests of the community, or wasted on a system that diminishes self-reliance and energy without improving organisation, will depend upon the wisdom and the force of the statesmen whom the next few years may bring to the front.

CHAPTER III

EQUALITY

MANY foolish things have been said in the name of equality, and many tedious truisms have been set forth in reply. Yet, in spite of all said and done in this name, the ideal which underlies the bombast, the ideal for which men have given their own lives and taken those of others, has, if properly conceived, a permanent political value. Equality, in its true political sense, is the correlative of justice.

We all agree that men should be equal before the law. In criminal law this ideal is more or less realised, except in so far as identical penalties, such as pecuniary fines, do not weigh equally on rich and poor; while other penalties, such as social ostracism, have no terrors for the habitual criminal. In civil law the tribunals are impartial and open to all without fear or favour, but the cost of legal proceedings gives a great advantage to wealthy individuals and corporations. The legal profession in this country is perhaps the worst organised of all; hundreds of would-be advocates sit idle who might

at least find occupation for a time like medical students in the gratuitous service of the poor; the powerful trade union of solicitors enforces upon litigants their costly mediation; division and differentiation of functions is very imperfect; delays of justice swell the unnecessary expenditure. Improved organisation could mitigate many of these evils, but the best advocacy will always be an expensive luxury, and few cases are so good as to need no skill in conduct and exposition. Still, subject to defects of organisation which lead to defects of justice, the equality of all before the law is recognised in principle and more or less realised in practice.

Political equality, as an ideal, is less generally admitted. The Anarchists alone would pursue it to the logical conclusion that every man should be his own master, ruler, magistrate, policeman, and king; but in practice universal adult suffrage has been obtained in one or two countries, and in many states universal suffrage for adult males has been established. Tried by the test of political expediency, the greater or less success of systems of universal or extended suffrage would seem to depend upon the temperament and on the political traditions of the nations concerned. At the best the system is at least tolerable; at the worst it is no worse than other bad governments. But, viewed from the aspect of political justice, the universal vote concedes just as much equality as nature has vouch-

safed. Nature brings the individual into the world and leaves him to do the best for himself, subject to the conditions of his lot. The grant of a vote is the birth of a citizen; the State thenceforward leaves it to the citizen to forward his political interests as best he may, subject to the conditions of his social and political environment. Property, intellect, education, influence, birth, status, and all personal qualities, can, under any system of representative democracy, always have their full individual weight in the determining of political decisions. As a voter each citizen counts for one and only one; as a force he counts for all that his will, his energy, his capacities, may enable him to compass. The measure of equality conferred by universal suffrage corresponds with reasonable accuracy to the physical birthright of a naked child. The community says to the citizens: "Up to a certain point I take an identical interest in the welfare of each unit; the exact limit of that interest is expressed by the political powers conferred by your vote; genius and dullard, loafer and leader of men, I begin each political period by asking each of you what is your will; I equate your desires one with another as best I can. The balance once cast I adjust my machinery accordingly. Thenceforward, till the poll is taken again, you are no longer equal; some of you will be rulers, others will be ruled; some will be leaders, some will be followers, others will be null; the play of political forces will

take its course, and in that play your wishes, so far as they can be ascertained, will have their weight. You are all equal as far as regards your vote; for the rest God and man have not made you equal, and equal you will not be."

The ideal of political justice requires universal adult suffrage; nay, more, it requires that the interests of children should have some weight in the balance. The wishes of a father or a mother of a family should have more influence in determining results than the wishes of an irresponsible bachelor or spinster. This is the real stake in the country, not that of which our ancestors were wont to speak, but a stake in the future of the country. He who has given hostages to fortune is not only inclined to judge more seriously the questions of the moment, but he has also a personal interest in what will happen after he is dead. Democracy is inclined to take a short-sighted view of national policy, to allow the motives of the moment to decide the questions of the moment, to live from hand to mouth. Only the parents of families have much reason to look beyond their own immediate personal advantage.

There is a manifest injustice in such a system of restricted franchise as our own. There are in our community about 16,000,000 adults, and about 7,000,000 are voters; all the voters are males. The greatest injustice is that suffered by women. Such

questions as those relating to the education of children, the feeding of school children, women's labour, and the like, are decided without direct reference to those who are principally concerned. No man would consent to live under laws which were made for him by an electorate and an assembly exclusively composed of women. It might be very good for him to live under such laws, but his rightful sense of independence would rise in revolt. Why should women be forced to submit to the exclusive rule of men? But the question of women's franchise is perhaps approaching the sphere of practical politics; and therefore I will not further discuss it.

The exclusion of a minority of adult males has also an appearance of injustice. Those who are excluded are already for the most part at an economic and social disadvantage; why accentuate their disabilities by an arbitrary political handicap? It might at one time have been urged that such citizens were uneducated. But they are to-day at least as well educated as the voters who voted for the first time in 1868 and 1885. Moreover it is not the business of the voters to supply wisdom and guidance. The State appeals to the electorate for assistance in striking the balance of conflicting desires, in estimating the force of national sentiment, in discerning the dim movements of the national will. It is the business of statesmen to suggest ends and

means; rival advocates, they assist the court to arrive at its decision ; rival courtiers, they strive to read and sway the royal mind. There is no impulse in the sovereign people which the statesman can afford to ignore; he must learn every force that moves it, he must explore its inmost recesses; he cannot with impunity neglect the wishes or the grievances of the most ignorant. But the extension of the franchise is perhaps a question of practical politics; if so, it is not only a question of abstract justice and of political consistency, but of expediency; and thereat I leave it.

Like other ideals, the ideal of equality has of late years taken a materialistic tinge. In the days of the French Revolution the ideal of equality was an ideal of personal dignity. Hereditary nobility, distinctions of class, the recognition of differences of rank, had become odious ; every man was to be a citizen, and to receive the respect due to a citizen ; that, and no more. Now it is rather economic equality, or greater economic equality, that has become the subject of vague desire. Differences of wealth are resented more than differences of rank. Some may dream of equality of remuneration ; many spend day and night in imagining means by which the rich may be made poorer, and the poor may be made richer. The great gaps in our industrial organisation, the fluctuations of trade, the unsolved problems of the unemployed and the unemployable, the vagaries of

wealthy and irresponsible persons, give increased and increasing strength to such desires. To lay hands on the whole economic fabric and remodel it from top to bottom is a heroic remedy which some do not shrink from advocating.

In response to these vague stirrings, the appeal to nature which made us unequal is not a complete answer. We do not live in a state of nature; our existence, though conditioned by all the laws which rule the animal world, is further determined by laws and relations which man has established for himself. In so far as these artificial conditions are unjust, the ideal of equality is violated. That ideal consists in justice between man and man, and between man and the community.

The laws governing the interactions of man with man and man with society are well-nigh as inexorable as the laws of nature. But, as we evade by conscious artifice the hostile operation of natural forces, as we guide and utilise the cosmic powers for human service, as we rule the animate and inanimate creation, so we can, by painful effort, by accumulated experience, by tentative and cautious measures, aspire to make the so-called laws of Political Economy work for the benefit and not for the detriment of humanity. In this task our aim should be to establish that equality which is natural, not to establish uniformity of type and conditions.

The division of labour and functions which is

necessary to the efficiency of an advanced commercial and industrial State is bound to produce a multiplicity of types. In any modern State, however socialistic, the higher functions will be discharged by the minority, the majority must be occupied with duties that are chiefly mechanical. Among the mechanical classes there will be skilled workmen, machine minders, unskilled labourers, clerks engaged in routine work. There must even be a class of casual labourers, ready to go anywhere and to do any rough work. There will be governors and governed, those who issue orders and those who obey, those who frame a policy and those who execute, those who design, and those who carry out. If this is an injustice, it is an injustice that is inseparable from the constitution of society. Equality of remuneration would not correct it.

Inequality of remuneration is not in itself an injustice, except when it is contrary to legitimate expectation. Injustice arises when society creates a type for which it has no proper place in its organisation. The class of unemployable persons is due in part to unrestricted propagation of the unfit, but also in great measure to defective nurture, defective training, and defective organisation. The class of sweated workers is recruited from those who suffer, though in a less degree, from similar evils. It is in our power to do much to improve the nurture and much to improve the training. We should begin with the

babies, and go on with the children. The State should not relax its zealous inspection of the young, where conditions demand it, until it were satisfied that each individual was in a fair way to exercise a permanent calling. This should be done by enforcing and not by relaxing parental responsibility. There is enough to be done in this direction to exercise the minds of philanthropic and socialistic schemers for several generations to come.

The problem of organisation is more difficult. Under an individualistic system organisation always lags behind population. The population question is really a question of organisation. If the State were well organised, no competent person would be out of a job. If the State were well organised, propagation from vicious and unsound stocks would cease. If the State were well organised, no person born would lack the training necessary for competent efficiency. If the State were well organised it would not matter how many competent people were born. Each person who fails to find a livelihood for himself deprives the community of wealth sufficient to support another. A diminution in the number of unsound, ill-nourished, maimed, untrained, undisciplined citizens would diminish the difficulty of organisation. It will pay a good master to employ a sound well-disciplined youth ; only the sweater can afford to engage those who are morally and physically unfit. State interference by way of creating employment

for the unemployed presents incalculable difficulties. The State is not likely to discover a new and profitable industry which has escaped the keen eye of personal self-interest. If it engages in an old industry it trenches on the field of existing employment. Public works may be planned in times of prosperity, and executed in times of dearth. But it does not follow that those who are out of work will be fit for the proposed employment. But something might perhaps be done by organising the unorganised workers, by regulating the unregulated industries. The immediate result might be to increase the number of unemployed ; but each area reclaimed from disorder to order will redound to the common well-being, and ultimately increase the divisible income, and therefore the available employment.

The ideal of equality which we should set before ourselves is that of nature. Nature has an infinite number of types, but each is in its manner perfect. Every wild animal is perfect after its kind ; each understands its own business, and follows it with energy and discrimination. Only the lords of creation and some of their dependent animals are dirty, ragged, vicious, idle, incompetent. We have emancipated ourselves from the law of nature which establishes death as the penalty for inefficiency. We have made every individual, however powerful, dependent on the society in which he lives. But we have not ensured that every individual should be in

a position to do his duty to society ; we have not provided social control to reinforce diminished individual responsibility. In our modern society the penalty for inefficiency is personal degradation ; that penalty is borne, and rightly borne, by society in common with the individual.

The injustice begins when we allow unsound parents to bring children into the world under unsanitary conditions; to thwart their development by unnatural and unwholesome food; to neglect their cleanliness, their discipline, their morals. It goes further when the State takes charge of the children and teaches them to read and write but neglects to secure that every child should learn a trade, or acquire the aptitudes which are necessary to earn a livelihood. It continues so long as we allow employments to be carried on under conditions that tend to inefficiency and degradation; it remains so long as we neglect all the means that lie in our power to remedy the defects in our industrial organisation, to bring work and worker together,¹ to subsidise those societies which insure trained workers against unemployment,² to discipline the undisciplined, to train the untrained, to reinforce parental and individual responsibility. Life is hard in this world

¹ A good beginning has been made in this direction.

² This neglect is also likely to be remedied. Incidentally, the measure designed to remedy it gives a striking illustration of the complexity of the social fabric, and the intricate reactions of social reform.

of ours; but existence is easy. It is difficult to live well; but to snatch a livelihood between the gutter and the casual ward requires less effort. It should be made impossible.

But such a method of regulation, inspection, coercion, would be an interference with individual liberty. Yes; and there is too much individual liberty in this crowded country of ours. A man may use his elbows freely and kick his heels on the open *veldt*; he may not do so with impunity in the close-packed streets. But interference with individual liberty would be strictly limited to those who neglect their duties. The inspector would be constant in his attention to the ill-kept home, the irresponsible parent, the low quarter, the bad employer, the *apache*, the hooligan, the loafer. The careful parent, the well-disciplined home, the industries which are free from any suspicion of sweating, would receive but rare and complimentary visits. The prospect of practical immunity from inspection would in itself be a strong incentive to good conduct. The inspector would begin with advice, he or she would proceed to cautions, and coercion would be the last resort. Four-fifths of the community would be practically unconscious of state-control, except by increased well-being or in the stress of undeserved misfortune. Individual responsibility would be increased; it would not be diminished.

But it would be expensive. Yes: and expensive

especially in time, and thought, and study, commodities more rare than money. But the expense would be more than repaid in a few years by increased efficiency and general well-being. It would be vastly less expensive than Collective Ownership; vastly less expensive to the community, vastly less galling to the individual. I have nothing to say against Old Age Pensions; but when men talk of raising thirty millions annually for those whose work is done, I think how much more profitably a less sum could be laid out for the benefit of those whose life is just beginning, and for those whose work is yet to be begun. If we can do both, well and good; but the latter is the more pressing need.

But it would not be tolerated. There is the rub. Unless the majority of the voters are willing to submit to a contingent diminution of their individual liberty, and accept in permanence a continuously extended system of State-control, I see no possibility of serious social reform. Men are willing just now to listen to the schemes of "Socialists"; but they would not listen for a moment if they realised one-tenth of the restrictions on individual liberty that "Socialism" would require.

This is the ideal of economic equality; that every man should have his proper place in the social organism, that he should be fitted to fill that place, that he should be hampered by no unnecessary disabilities resulting from defective breeding, nurture,

and training, and that, given these conditions, he should be free under suitable laws to pursue his individual well-being and the well-being of his descendants, in such manner as he thinks fit. If this ideal involved the segregation of a small minority of the community in celibate labour-colonies under humane but rigid coercion, many of us would be prepared to go that length. But we are a long way from the practical adoption of such a policy; and whatever is done in this direction can only be done gradually.

One conspicuous inequality in our economic system I have not yet faced; the existence of very rich men. Equality of well-being and not equality of wealth is the ideal of economic justice. Where economic well-being is not found, an injustice as a rule exists which should be remedied; but economic well-being is as often found in the cottages of the prosperous poor as in the castles of the rich. Every class should have by inheritance and custom its own fit standard of comfort; that standard should be maintained and improved where it needs improvement; if that were accomplished, well-being would be fairly evenly distributed through the community.

The existence of great fortunes means the concentration of great power in the hands of individuals. Power has always been so concentrated, and it will always be so. In the "Socialist" State, if it were ever established, the "Socialist" boss would inevit-

ably rise to enormous if to transitory power; every executive officer and every committee man would be, potentially at least, a local tyrant. It seems more hopeful to regulate the use of powers that exist than to create new authorities of whose operations we are entirely ignorant. It cannot be too often repeated that the limits within which society can be modified by legislation or administration in any given time are narrow; the obvious tasks of dealing with the unemployable, of improving the care and training of the young, of regulating the conditions of employment in industries hitherto unregulated, of improving the organisation of industry, are tasks sufficient to occupy the minds of a generation, without attacking the laws of property where the power of property is most concentrated. Only covetousness or jealousy on the one hand, or visionary fanaticism on the other, could inspire such a policy. In short, we should endeavour to remedy inequalities at the bottom rather than at the top; and, to hazard a final commonplace, we should aim at levelling up, rather than at levelling down.

CHAPTER IV

ARISTOCRACY

THE word democracy has been hardly treated. The rule of the sovereign people is a fine conception, and modern democracy demands so much of equality as is implied by equal laws and universal suffrage. But a democratic state may without departure from principles recognise personal merit and distinction, maintain a hierarchy of orders, and allow heredity its due weight in the scheme of society. Any state in which the interests of the masses were alone considered, in which manual labour alone conferred dignity, in which the qualities that go with birth and breeding were at a discount, would be mob-ruled and not a true democracy. But the deterioration in the significance of the term goes back as far as Aristotle, who had to invent a new name for a healthy, law-abiding, and wisely-governed democracy. Now that democracy is with us, its name should be purged of the sordid associations of quarrels in petty Greek states. Democracy is the rule or at least the admitted sovereignty of the people as a whole,

and not the rule of the lower classes only. As a matter of fact the masses of the population are more susceptible of admiration and devotion than the sophisticated few; they are accurate judges of real as opposed to arbitrary class distinctions; the sentiment of heredity is strong in their veins; horny-handedness is not the only passport to their love; they follow more readily the man who claims their allegiance as a right, than the striver who bids for their attention with brazen voice and brazen face, and regards their support as the easiest road to self-advancement. Aristocracy and democracy are not contradictory, they are complementary conceptions.

But the name of aristocracy has fared even worse than that of democracy. Aristotle uses the term in its true sense, to indicate the "rule of the best"; and in that sense it will be used in these essays. Even in Greek times the noble conception of aristocracy was somewhat degraded. We need not be surprised to find that "*oi παχέες*," the fat, the well-to-do, arrogated to themselves the title of "*oi ἄριστοι*," the best, "*oi καλοὶ κάγαθοί*," the beautiful and good. Such claims are not unknown in our own day. Reminiscent of Greek party quarrels, the revolutionaries of France hurled at their discredited nobility the appellation of *aristocrats*, as if it were a term of abuse. Since then we have been content to bestow it, as a charitable courtesy devoid of higher meaning, upon our hereditary peerage. It should be raised from the mire in which party

animosities have well-nigh immersed it, and restored to its proper use and significance. The word has a valuable political meaning, and we cannot afford to discard it.

Every country must be governed, and must be governed by individuals. Only Anarchists will deny this proposition, and we need not argue with Anarchists. Even a purely socialistic state would need governors; governors more powerful than any which this world has yet seen, since in such a state the sphere of public authority would be extended to cover the whole range of human activity. And few will be found to contest in theory the statement that every country must strive to select as its governors the best who can be found. This is the aristocratic principle, which no state can neglect with impunity.

But no state is so perfect as to secure the absolutely best for its rulers. In the first place, it can only aim at selecting those who are politically best, practically best. Men of genius, men of learning, men of saintly virtue, are often unfitted to take part in government. Further, no monarchy, no oligarchy, no democracy, has ever devised a system of selection which will uniformly exclude the unfit, still less, one which will effectively pick out the fittest. An imperfect compromise is the best for which we can hope; but we must not discard any principle of choice which will assist us

in eliminating the less fit, in selecting the more competent.

In our modern democratic constitutions the aristocratic elements are more numerous than is generally recognised. The sovereign, by the advice of his ministers, chooses certain men to discharge high public duties. Others are selected by the sieve of open competitive examination. Others emerge by merit from the struggle for wealth. Others, again, and those not the least worthy and capable, succeed by inheritance to the functions of their fathers; while popular election is constantly on the search for men fit to be leaders.

We do not, as a matter of fact, allow our public authorities a very free hand in the selection of their subordinates. In the permanent services of the State, promotion strictly according to merit is an ideal; but it is an ideal which requires on the part of the promoting authority uniform wisdom, vigilance, and justice; such wisdom, vigilance, and justice as all concerned cannot fail to recognise. Failing these conditions, favouritism, jobbery, corruption, appear on the one hand, and on the other, intrigue, jealousy, discouragement, dissatisfaction. Accordingly, we are forced to tie the hands of our public authorities, by routine, by seniority, by regulations, by competitive examinations. Even in the selection of the permanent heads of Departments the choice of the Minister is

limited. Only a few have the standing and experience which are recognised by tradition as requisite; the field of eligible candidates is limited. Such trammels impede the aristocratic selection; but they prevent the worst abuses. We secure that such exercise of choice as is allowed should tend to the selection of the better rather than the worse. Where more liberty of selection exists, as in the municipal services, the results are not always superior.

For recruiting our permanent state services we make use of another aristocratic system, that of competitive examination. Competitive examination is only a rough and ready way of ascertaining merit; but it has the advantage of eliminating favouritism; and, speaking generally, there can be no doubt that the successful candidates in a reasonably framed competitive examination are, upon the whole, superior in intellect, industry, perseverance, and vigour to those who fail. Moreover, competitive examinations secure that the successful candidates are drawn from families which recognise the value of education and are willing to make sacrifices for its sake. The justice dispensed by the Civil Service Commission is purblind, but it is impersonal, equal, and impartial.

In quite recent times, in selection for the Egyptian Civil Service, and in the selection of Naval Cadets, attempts have been made to break

loose from this salutary but hampering routine. The framers of these schemes are more ambitious than those who established open competitive examination for situations in the public services. They aspire to apply more human, more accurate tests. Their aims are more strictly aristocratic. They seek to pick out by insight, extended enquiry, and common sense, not merely the relatively, but the absolutely best. Their methods make heavy demands on the wisdom, industry, and impartiality of the selecting committees; if these demands are not too great, no one would deny that this method of selection is capable of more accurate and delicate discrimination. But human imperfection must always be taken into account.

Hereditary aristocracy is at a discount among modern political theorists. An hereditary legislator is contemptuously dismissed as the accident of an accident. But the instincts of the human race are seldom completely at fault, and they are not easily eradicated. In those dark ages when men came to the top by virtue of physical courage and strength, of leadership and practical wisdom, it was unconsciously perceived that such qualities are commonly transmitted from father to son. It was tacitly agreed that chieftainship is a trade, and that those who are brought up to this trade on the average make the best rulers. Habits of command are best acquired in early youth; the practical

wisdom of the ruler is learnt by example and precept in the atmosphere of the home. Hence it seemed as natural to the mediæval peasant or retainer or burgher that power should be inherited as that property should pass by succession. The instinct made for peace and stability ; hereditary right, however arbitrarily exercised, was preferable to lawless might. Amid such circumstances instinctive acquiescence in the rule of men who were born to rule became part of the heritage of the race. In those days a gentleman was a *gentilis homo*, a man of family ; nowadays a gentleman is recognised rather by his possession of the indefinable qualities of his class than by his pedigree or his armorial bearings ; but birth and breeding still count for much in fact, and for much in popular sentiment ; there are few Englishmen who would not prefer (other things being equal) to be governed by gentlemen ; and, so long as heredity, tradition, training, and education, are recognised as contributing to the making of the man, so long must it be admitted that this sentiment is rooted in reality. Its influence in the working of our constitution is none the less powerful that it is undefined and indefinable. It makes for aristocracy, checks the influence of wealth, and tempers naked competition. We cannot afford to do without it.

Putting aside the House of Lords which I do not propose to discuss, the hereditary aristocratical element in our society amounts to this : that a man

starts as a rule politically, socially, and economically, at the point which his father has reached before him. If that position is elevated, he is freed from so much of the sordid competitive struggle. He brings his inherited powers, fresh and unwearied, to the higher tasks of life. In politics, Peel and Gladstone, not to mention statesmen of more recent eminence, rose in this way. Should we have politicians of similar breadth of view, wide knowledge, exalted sympathies, statesmanlike traditions, if all our leaders had to struggle up from the bottom? We want some of all kinds to make a popular assembly; but we can hardly dispense with those who are, so to speak, born to the House of Commons; and it will be long before the people looks with equal interest on *Nemo* the son of *Nullus* and on the son of a distinguished father, the heir of a famous line. Moreover, the self-made man has temptations at every stage of his career which the born aristocrat never has occasion to face.

With modern changes in the theory of the State the dividing lines between public and private law have been erased. The laws of property are no longer excluded in bulk from the sphere of practical politics. It is recognised that the possession of wealth gives a man as much power over his fellow citizens as most forms of political authority. It is therefore not beside the point to indicate the strong position that heredity still holds in the sphere of economics. Public sentiment thinks it quite natural that the son should

succeed his father in the management of a business or of an industry. The rule of the heir is more readily accepted than the rule of a stranger. The extension of the field of operation of Joint Stock Companies is diminishing the influence of this form of hereditary aristocracy ; but its power in moulding the constitution of our existing society is still considerable ; and it is at present quite in consonance with public sentiment.

Pure economic competition is another element in our society, which may be on the whole reckoned as aristocratic. The pursuit of wealth is not wholly ignoble. Those who succeed in it must possess, in the majority of cases, qualities useful to society ; energy, resolution, resource, inventiveness, perseverance. The struggle for wealth thrusts up to the surface some who owe their eminence to successful fraud ; but on the whole the captains of industry and commerce are as honest as their neighbours, and more efficient. Their influence in politics is obvious, and this form of aristocracy conforms, at any rate, to the rough facts of ordinary life. It is not a mere plutocracy ; it is, so far as it goes, the rule of men who have proved themselves stronger than their fellows.

Finally, representative democracy is in itself a form of aristocracy : and the more aristocratic it is, the more successful it will be. Mr. Sidney Webb's book, *Industrial Democracy*, might as well be called

Industrial Aristocracy, since the greatest successes which it records are as much due to the qualities of the leaders, as to the will and determination of the masses. Party politics to a large extent prevent the democracy from exercising its natural right to elect in each case the best of the candidates presented to it. But party interests in their turn preclude, or should preclude, the presentation of candidates who are wholly unworthy. It is to the interest of any party to put forward for any vacancy the best candidate who is available. Personal qualities have some weight in every election. The result is a very imperfect selection, but still a process of selection takes place. The 670 members of the House of Commons are not the 670 best and wisest men of the nation, but still they are much better and wiser than if they were selected by lot.

When the time comes to form a ministry, party interests demand that, so far as possible, the most competent and weighty men should be chosen to fill the most responsible positions. The conspicuous failure of any one minister to rise to the responsibility of his post may lead to a party disaster. This automatic selection of comparatively competent men for party reasons is a fortunate, if an accidental result of representative democracy; it gives us, not, indeed, the best possible government, but a government which is as good as we have any right to expect, so long as we allow our selection of

members to be governed mainly by party considerations.

In municipal politics the results are much more dubious. Almost every one who has attempted to do his duty, say to the County of London, must have been confronted with the difficulty that the great majority of the candidates were wholly unknown to him. Even worse must be the predicament of those who have to vote for some suburban District Council, or some vast and inorganic Borough, like the City of Westminster. In such cases one can only vote blindly for a formula, “Municipal Collectivism,” or “Retrenchment and Reform,” and trust, not always with satisfactory results, that the party organisation will present to us well-qualified candidates.

If words were used in their proper senses, no man could reproach another with being an aristocrat: no man would venture to make an opposition between aristocracy and democracy. It would be universally recognised that every form of government is successful in so far as it succeeds in being an aristocracy. The aristocratic elements in democracy—they are strong and they might be further strengthened—are those which make it acceptable. The plutocratic, ochlocratic, kleptocratic elements are those which discredit it. In order that a great democracy should rise to the measure of its full stature, it must first be the rule of the whole people

in the interests of the whole ; and secondly the instruments of the people's choice must be the best available, selected by merit without prejudice wherever they may be found, whether in classes that are commonly considered high, or in classes that are often called low. In the last resort we are not governed by votes, or laws, or constitutions ; we are governed by men ; and one essential feature of good government is the wise choice of governors. The result is Aristocracy.

CHAPTER V

DEMOCRACY

SOME philosophers have recognised, and some historians are fain to postulate, in every people an animate being comprehending but not identical with the sum of the citizens. The self-realisation of this transcendental personality is the end of all national effort. The object of institutions is to enrol in the service of the whole the collective wisdom, the collective virtue, the collective industry, the collective wealth, of all component individuals. The magic of royalty resides, not in its shows and pageants, but in the visible expression of the nation's unity. Those who have not felt the thrill of mystical rapture that elevates a crowd in the presence of their King, the intimate sympathy that keeps the royal and the popular mind in touch, the beauty and fitness of personal loyalty and personal devotion, have missed one of the clearest indications of a spirit in the whole differing from and transcending the spirit of the parts. But in presence of war and of national disaster similar feelings are even more unmistakable. Senti-

ment and passion rule, but the sentiment is not self-regarding, the passion at its blindest has something noble. Self-sacrifice is in the order of the day; the spirit of the whole is astir, and the spirit of each part surrenders a portion of its independence.

This faith in the supernal existence of a national over-soul involves the mystical conception of a "general will": the will of the people as a whole, corresponding to the will of an individual. But it does not imply that this will is always or often consciously exercised, or clearly expressed. When unmistakable, it is irresistible. Sometimes by a happy chance it is reflected in the personality of a ruler. The Emperor William II has hitherto derived his extraordinary influence from the accuracy with which he reflects the ideals and aspirations of the German people. Such a ruler is a more sensitive gauge of public sentiment than any house of elected deputies, or newspaper press. More dimly the national will finds expression in the personalities of the statesmen whom chance has brought to leading positions. They take their colour from the community in which they live; they owe their influence to the greater or less degree of intuition with which they read the general will; without some such gift of sympathy as this, eloquence, tactics, power of administration, can never give to any statesman under any system the full measure of authority which the heaven-born interpreter can wield. More blindly, dumbly, and imperfectly, the national

institutions express the general will. Their form owes much to chance; but their development and their working are moulded as years pass on by national character and national desires. The general will finds further and more satisfactory expression in hereditary traditions, customs, and sentiments, which have grown up during generations of national life. Finally, modern democracy is a more or less conscious attempt to address a direct interrogative to the national personality, to ascertain the general will.

For those to whom such mystical imaginings have no meaning, a more concrete statement may be added. The ideal of a harmonious community is all for each and each for all. The attempt of modern democracy is to ascertain the will of all by ascertaining the will of each.

But on almost all occasions the general will is vague as to ends, and for execution dependent upon existing machinery. When aroused by passion, the people, or the mob in the name of the people, can execute its own decrees; but such decrees are more often destructive than creative. No modern state can be said to be governed by the general will, though many may be governed more or less in accordance with the general will. Those in which the general will is most developed, and those in which the means for its expression are the most efficient, are the most highly organised. But the general will being largely unconscious, inarticulate, and undefined, and the means of

ascertaining it being at the best imperfect, the actual conscious government of the State by the people is at present, at least, an impossibility. In practice modern democracy falls back upon a convention, based upon the election of representatives, and upon some system of parties.

A general election may be regarded as a periodic substitute for civil war. In the simplest form of party government there are two parties. Each has recognised leaders, and each has, or is supposed to have, an accepted formula for the conduct of public affairs. The hosts are marshalled on either side, but, instead of appealing to the arbitrament of battle, heads are counted in a more or less capricious fashion, and the party which has the greatest amount of apparent support is declared the winner. The leaders of that party divide among themselves the chief posts of authority, and the party formula is supposed to dominate administration and legislation so long as they continue in office.

Some confusion results from the fact that such formulas are as a rule very imperfectly defined. Hence in every party after a general election a further internal strife is secretly but resolutely carried on ; in this strife personal qualities of will, character, astuteness, and intellect, tell more than the numbering of heads ; and the success of any Prime Minister depends largely upon his skill in satisfying the

various sections of his party in turn, without unduly exciting hostile differences.

In the course of preparations for a general election certain questions generally come to the front. Sometimes a single question is admittedly decisive. In 1886 and 1895 the elections undoubtedly turned on the question of Home Rule for Ireland. In 1900 the electorate gave a clear decision in favour of "fighting to a finish." In such cases the new Government has a certain but limited mandate to do or not to do a certain thing. What else it should do or may do is left indeterminate. The party formula will give no clear indications. The head of the Government can only be guided by his reading of the national desires, the suggestions of his own wisdom or prepossessions, the driving force of his own followers, the time and resources at his disposal. He must consider the effect of his actions on the electorate, but he cannot rely upon their gratitude. His misdeeds and mistakes will be remembered against him ; his best actions will win him more enemies than friends ; and, when the electorate is interrogated once more, its verdict will depend much more on the expectation of future benefits than on the recognition of past services.

More often perhaps there is a variety of issues prominently before the public at any general election. The head of the new Government receives no single certain mandate, but many uncertain mandates. He

is placed in the same position on all questions as the possessor of a single mandate on all but one. He must rely on his own intuitions as to the real trend of the public will, and on the information supplied by the party whips as to the feeling and wishes of the members of his party. Accident may give one cast of opinion a larger representation in Parliament than its proportional strength in the country would warrant. There are some few issues on which the national will is unmistakable. There are many others on which it can only be guessed. There are many on which the nation is frankly indifferent. At most it can be said that the Prime Minister, the Cabinet, the majority, are responsible to the people for the exercise of the extensive powers entrusted to them. But should they misuse their powers, the penalties are not, as a rule, severe.

This form of democracy would seem to rest upon a convention. It is assumed that the people of the United Kingdom desired in 1900 to be governed according to Conservative principles, that in 1906 they desired to be governed according to Liberal principles, because a few hundred thousand voters voted one way or the other. It is assumed that London for the moment calls a halt in Municipal Socialism because the Municipal Reformers carry the elections. It is assumed that West Ham Borough Councillors and Poplar Guardians are the chosen of the people because a majority of the small fraction

of the local population which takes any interest in such contests has voted for some gentlemen rather than for others. But at most the electorate of country, county, borough, or district, decide upon a change of formula, or a change of *personnel*. The interpretation of the formula, and the action of the new rulers, on each of the innumerable minor issues, the electorate does not and cannot in any case direct.

There is, in fact, much that is conventional in the practice of democracy, and in the professions of democrats. But what is real is the earnest endeavour of politicians on both sides to ascertain the real wishes of the people, to influence them so far as may be, and to forestall them if possible. Conservatives and Liberals alike are as democratic as they can be; if they are not more democratic, it is because the wishes of the *demos* are so difficult to ascertain; because on so many questions they are indifferent. There is a great field in which the prepossessions of statesmen, and the wishes of politicians, are in truth the only determining factor. And in any case the *demos* cannot as a rule be said to have any desire except for well-being and good government until a definite issue is brought forward by a responsible statesman and clearly laid before it.

This convention, with the realities which it embodies, depends for its success largely upon the existence of two well-defined parties. Since 1886 at least there have been three, or four, in this

country; but the existence of the Liberal-Unionist Party has in effect almost neutralised the Parliamentary force of the Irish Home Rule Party. Henceforward, however, it seems likely that we shall have to deal with a greater number of groups. We may conceivably have Unionists, Home Rulers, Liberals, Labour Men, and "Socialists." It seems probable that three-cornered or four-cornered contests may be more frequent than they have been in the past. The result may be in a considerable number of cases that the member returned is returned by an absolute minority of the constituency. Such mishaps might neutralise each other on the average, or they might not. It is not safe to assume that they always will. If they did not, one party might obtain in any Parliament a much greater proportion of representatives than the electoral support it had received would warrant. The existence of many groups creates less difficulty in such countries as Germany, where there is a second ballot. Quite apart from the interests of any particular party, in the interests of practical democracy a second ballot law or some analogous provision seems to be imperatively demanded in these Kingdoms.

The device of referring any questionable law to the verdict of the whole body of electors by the expedient of the Referendum is a simple and straightforward method of ascertaining the general will. In theory it should be adopted by every

democracy. In practice it has been found an impediment to legislation. When a bill is before the country in all its detail the adverse critics have the strategic advantage; some will think it too extreme, others insufficient; every defect will make an enemy, every merit will attack an interest; the less it is understood the more it will be mistrusted. The most convinced enemy of legislation could hardly in our country propose to put such an instrument of obstruction into the hands of any casual group of electors or members of Parliament. But as in theory the House of Lords may on any particular question more truly express the nation's wishes than the House of Commons, it seems reasonable that when the two Houses cannot come to an agreement the nation should be called upon to decide.

The daily press used to be regarded as the great organ of public opinion. It still has great power in moulding and educating the popular will; but it would seem that the great London papers at any rate can no longer claim to speak with authority in the name of the electors. It must be presumed that the opinions they express are acceptable to their readers; perhaps their readers are no longer so influential as they were; perhaps the proprietors are less anxious to be in sympathy with the public than to advance their own political ends; in any case it is significant that in 1906 almost all the great London papers

were on one side and the voters, in London as elsewhere, upon the other.

In practice the democratic form of government is convenient because experience shows that the citizens are found to acquiesce more readily in this type of rule than in any other. The burdens which the people apathetically endure under conventional or representative democracy would require to be justified by rifles and artillery if due to the action of an autocrat or an oligarchy. But this very convenience is a danger. Apart from actual corruption, the extension of representative democracy into municipal administration has led to an immense increase of expenditure. If the democracy always obtained good value for its money, this might not be regrettable. Education, sanitation, water, lighting, paving, transport, and the like are worth paying for, and cannot easily be of too good quality. But the democracy is a bad husband, and its besetting vice is indifference.

This indifference is greater in municipal politics than in national politics. In national politics a fierce light of publicity beats upon statesmen. On vital issues the public will is often clear, unmistakable, and decisive. Of the solutions adopted on less important issues the people is often *ex post facto* a competent judge. If of nothing else, it is generally a good judge of personal character. In this country at any rate the traditions of national politics are wholesome and honest. The administrative machinery has been

evolved, improved, tried, and tested through generations. Speaking generally, democratic local government has not these advantages. Publicity is less, public interest is less, the administrative machinery is comparatively new, there is no ancient tradition of disinterestedness, there is often no sense of corporate feeling at all. The greater the publicity, the greater the relative success, as in the case of the London County Council. The greater the strength of corporate feeling, the better the results, as in the case of Birmingham. But where a body that has no natural sense of unity has been called into existence to administer under democratic conditions some uninspiring branch of public duty such as the Poor Law, the conditions have been least favourable, and the results, to judge only by public scandals, least satisfactory. At the best, democratic local government is expensive ; at the worst it is inefficient and corrupt. The only hope lies in an increase of local public spirit, or in greater activity of central supervision ; unfortunately, central supervision must tend to weaken local effort.

If direct employment by the State were the rule instead of being the exception, the interests of any individual set of workers would still be to some extent at variance with the interests of the community. Democratic collectivism would present difficulties of this kind at every turn. But, in the present circumstances, both of imperial and of municipal government, the

existence even of a relatively small number of persons employed by the central or the local government introduces into democracy a disturbing and to a certain extent a dangerous influence. There are many elections which can be turned by a small percentage of the voters. In any such constituency even a small number of State employees or municipal employees can put pressure upon candidates which it is difficult to resist. Pledges are sure to be given, directly or indirectly ; whether they are redeemed or not, the result is unsatisfactory. Moreover, any party which may be in favour of direct employment by State or municipality upon easy conditions has an advantage in the community at large. A partial but not a complete remedy for this danger would be to disfranchise for imperial purposes all employees of the State and for municipal purposes all employees of the municipality, and to allot to each class of employees a proportional number of representatives in the central legislature or the municipal council respectively. Certain large classes of state employees, such as the Post Office servants and the dockyard servants, might be allowed special representatives for their class. Such representatives should be allowed special leave on full pay while Parliament was sitting, or while engaged in municipal business.

The greatest immediate danger of democracy lies in public indifference ; but what if the issue at stake

became of overwhelming interest to every one of us? Fortunately, in this country up to the present party politics have not been class politics. But thirty years ago the richer and more cultivated classes were much more evenly divided between the two great parties than is at present the case. Supposing an issue arose on which educated opinion, birth, breeding, habits of command, personal talent, knowledge of affairs, wealth, reputation, were in overwhelming proportions ranged on the one side? In other words, suppose that the periodic and amicable substitute for civil war described above should suddenly become a constitutional war of class against class? Should we then be content to accept the democratic convention? Such a contingency is not beyond the bounds of possibility. If "Socialism" in its extended sense is to be made the crucial question of modern politics, the contingency will be within sight. We shall then have to reconsider our position, perhaps among the roar of cannon, by the light of flaming factories, and in the midst of starving millions.

One more word. In politics, as in personal conduct, wisdom and virtue are the sole safe and certain guides. Wisdom and virtue are not the indefeasible attributes of the majority, any more than they are of a monarch, or of a class. The general will, like that of an individual, may be profoundly erroneous. It is the duty of the statesman to ascertain, so far as he may, the general will, to execute it if he thinks fit,

to oppose it if he thinks it his duty. In opposing it as in executing it he may certainly use all honourable and constitutional means. No force of public opinion can exempt him from the supreme duty of safeguarding to the best of his ability the public welfare. If the general will be based upon false conclusions, and nevertheless receive execution, the community will suffer, as an individual would suffer in like circumstances. The statesman may, indeed he must, delay as far as he can the irrevocable and erroneous decision. There is always a chance that his master may repent. No statesman can get rid of his personal responsibility by servile acquiescence in the dictates of the popular will.

CHAPTER VI

THE BALANCE OF INDIVIDUALISM AND SOCIALISM

As Aristocracy is the complement of Democracy, and order of liberty, so Individualism and Socialism are the two complementary systems, whose lively, opposite, and harmonious strife is essential to the well-being of community and citizens. Individualism may be described as that system of customs, beliefs, forces, and institutions, which tends to make his own personal well-being and the satisfaction of his own desires the final end of the efforts of every man. Socialism is that system of customs, beliefs, forces, and institutions, which tends to make the well-being of the community the final end of human operations.

Individual self-interest supplies the driving force. Indirectly, the intense energy called out by individualistic conditions furthers the well-being of the community by the harmonies so skilfully analysed and passionately admired by the apostles of *laissez faire*. But the immediate end of individualistic effort is not social well-being; and social well-being only results from individual effort in so far as individual energies

are wisely and harmoniously controlled in the interests of society. In the most individualistic modern state violence and manifest fraud are prevented or punished by law; contracts are enforced by law; order and external security are maintained by common effort; custom and tradition step in to supply the most urgent necessities not provided for by law; man has become a social animal and can only attain his most personal ends in and through society. The most ardent individualist is more a socialist than he knows. Existing individualism is only tolerable because of the modicum of socialism which it accepts.

On the other hand the immediate end of socialism is not individual well-being but the well-being of the community. To this end the liberty, the property, the life of any citizen, of any group, must be, if necessary, sacrificed. The liberty of all individuals is curtailed; the property of all individuals is taxed; many states recognise the duty of universal military service. Yet, in promoting the well-being of the community, the forces of individual energy must be sedulously husbanded, maintained, and stimulated. A preponderantly socialistic State would be an inert, flaccid mass of institutions, rules, and regulations, without life, hope, or vigour. Socialism is the complement of individualism; it cannot take its place, or dispense with its assistance.

The man existed before the State; and therefore individualism is prior to socialism. Our socialistic

instincts—and they are many—were bred in anarchy, they were nursed in strife, they were schooled to adolescence in the organised war of race with race and kingdom with kingdom. Far back in the ages when the human race was emerging from the marked individualism of the larger carnivoræ, the family bond, the tribal bond, the national bond, grew up and became dear, as necessary safeguards against the predatory and destructive instincts of organised and socialised neighbours. The greater the external pressure, the more sacrifices of liberty, person, and property, were demanded of the individual. The free government, the strong individualistic bias of Englishmen, were bred, it is thought, in the isolated fiords of Scandinavia; they have certainly been developed and encouraged by eight centuries of comparative exemption from foreign military pressure; while on the other hand the autocratic government and sternly socialistic system of monarchical France were first called into being by the English invasions under Edward III and Henry V, and afterwards developed with all their machinery for action and repression during centuries of protective or acquisitive warfare. Germany, created but recently by the sword and maintained by the power of the sword, is the most socialistic of modern states. Yet she demands no such sacrifices of her citizens as Sparta and Rome demanded of theirs. No modern state is as socialistic as Sparta;

none, perhaps, as socialistic as Rome. The reason is that these states were organised in the first place for war, and that therefore peaceful pursuits were for them a secondary consideration. War is historically the cause and the end of all early socialistic effort; and war above all other forms of human activity is merciless to the claims of the individual, and regards solely the preservation or extension of the State. Yet the stable forms of government, the enlarged powers of public authorities, which war has in the past created, form a shelter beneath which beneficent forms of individualistic enterprise can flourish and grow to maturity. Every form of control, combination, or cooperation, is in tendency socialistic. While the chief driving force of society is individual desire, yet the appetites of individuals are most fully and easily satisfied when the free energy of individuals has been canalised, legalised, combined, directed, controlled, and pacified, by various forms of socialistic institutions.

In short, while individualism is more primitive and socialism more civilised, the modern State can neither dispense with the rude vigour of primitive appetites, nor with the regulating influence of socialistic laws, combinations, and institutions. The harmonious reconciliation of these apparently opposing tendencies is the task of statesmen and of nations.

The first end of social combination is security against attacks from without. Society was first

organised for war, and for the common security we maintain those socialistic institutions, the army and the navy.

Each group, as it becomes more perfectly socialised, establishes internal order and peace. Thus in Anglo-Saxon times not only the hundred, the county, the tribe, the nation, were organised for war, but also the family; and the blood-feud between families was a recognised custom. The first step to the establishment of a national peace, the King's peace, was the suppression of family warfare; but many centuries passed before private warfare was effectually suppressed; and more centuries before we set up those socialistic institutions—the police force and the police magistracy. Concurrently, laws of property, of marriage, of succession, of testation, were more and more successfully enforced, and contributed to the second social necessity of internal order and peace.

Order is a necessity, justice is a luxury; but it often happens that men will sacrifice necessities for luxuries; justice is more passionately desired than peace; and therefore defect of justice imperils order. As the machinery for promoting internal order improved, it was progressively adapted to the satisfaction of the common desire for justice. The King's peace was the best peace; the King's justice was the best justice; the King's judges evolved the common law from the anarchy of conflicting customs; the King's Court of Parliament from hearing cases and

voting supplies proceeded to suggest laws; security from foreign attack allowed constitutional government to replace autocratic rule; the sphere of the central government became more and more extended; public burdens were regulated and legalised; industrial and commercial competition was more or less effectively controlled by custom; until in Great Britain after the Union with Scotland and the close of the Revolutionary period a satisfactory balance of individualism and socialism seemed to have been for the moment attained. All the necessary machinery for government, for the preservation of internal order and external security, for the administration and forming of laws, had been effectively socialised; every man was free to carry on his occupation in the conditions which custom led him to expect; in spite of political corruption the national sense of justice was approximately satisfied; poverty existed and wealth existed, but neither excited any intolerable sense of injustice; hardships were customary hardships, disabilities were sanctioned by tradition. The population increased; but the organisation of society kept pace with the increase.

Then came the industrial revolution; it is with us still. Home labour gave way to factory labour; hand-work to machines; horse-traffic to railways; sailing-ships to steam-ships; local commerce to world commerce. Corn laws were enacted and repealed; the production of commodities was

stupendously increased; population grew by leaps and bounds; great towns sprang up in the new centres of industry and commerce. A completely new set of conditions was created; the old customs were broken down, and a new era of unregulated competition set in. The strong preyed upon the weak; child-labour and woman-labour were ruthlessly exploited; sanitary conditions were such as might be expected to result when men were called upon to live a new life of which they had no experience. Unregulated competition was not only allowed, it was worshipped as an ideal; and unqualified individualism was preached in the schools.

Some amelioration began about the middle of the last century, and many improvements have been made since, especially in sanitation, rather in defiance of, than at the suggestion of, the professors of Political Economy.

Doctrine has always great influence upon policy; and it may with good reason be held that Darwin's great work on the *Origin of Species* came just at the wrong moment, to reinforce the flagging belief in the virtue of unqualified individualism. His doctrine of the survival of the fittest in the struggle for life afforded a fresh argument to the champions of *laissez faire*, the advocates of unregulated competition. It was of course wrongly applied by them to the existing conditions of society. Darwin's doctrine of progressive modification by natural selection in the

course of the struggle for life is based upon the observation of progress in immense periods of time. We cannot afford to wait until geological periods have passed for the improvements which may result in the human animal from ages of unregulated competition. Moreover the fittest who survive are those who are best fitted to the environment. If the environment is disorderly, dirty, unlovely, the individuals who are fittest to live therein will correspond. Evolution has produced not only the lion, the eagle, and the red deer, but the louse, the cockroach, and the tape-worm. Man is in large measure the architect of his own environment; social effort is needed, strenuous and unceasing, to improve the environment, and even to preserve any amenities it may possess. Again, if those who are unfit to face the struggle for life under unregulated conditions of competition died, our humanity would be revolted, but our social well-being would be less imperilled. They do not die; they live on, parasites upon the community, poison in its veins. They are not even sterile; they breed more rapidly than their more successful fellows; and even the infant mortality of slum regions does not prevent them from contributing more than their proper quota to the rising generation. Those who survive are often maimed, ill-nourished, imperfectly developed, owing to the conditions of the struggle through which they have passed.

The doctrine of the survival of the fittest does

not justify unregulated competition. That doctrine has, however, an extended application in politics and economics. Those forms of government survive which are best suited to meet the political exigencies of the time. Democracy is still in the experimental stage; representative democracy on the huge scale of the modern State is in no country much more than a century old; if it fails in the problem of adapting social organisation to the new conditions of life, it will give way to some other form of government. Those communities survive which equip themselves best for the international struggles of commerce, industry, and war. Any state which neglects to develop the means of self-preservation will fall a victim sooner or later to its more energetic neighbours. Again, in economics there is a constant struggle, not only between individuals and groups, but also between processes of manufacture, and methods of organisation. The best organised and best equipped firms eat up the others. The problem is to preserve this wholesome form of natural selection between rival methods and rival systems of organisation, to preserve the stimulus of individualistic competition, while regulating the internecine battle of employer with employer, employer with worker, and worker with worker.

As the older socialism of defence, justice, police, and polity, was evolved by man for his own preservation in conditions of continued physical

strife, so the new socialism will be evolved, painfully and slowly, in the new anarchy, the new warfare of unregulated economic competition. It is likely that the need for more effective socialistic regulation will be first recognised in these islands where the principle of *laissez faire* has been most industriously preached, and where the doors have been thrown wide open not only for competition within the State, but for competition from without. We are the most individualistic of nations because of our exemption from external attack in past ages; we may become the most socialistic because we are the most exposed to the peaceful onslaughts of economic rivals. In any case a reaction from the extreme individualism of the past century is inevitable; it has already begun. If we become more socialistic than is wise, it will be the fault of the untempered zeal of the apostles of unqualified individualism. If false prophets arise, it is because the orthodox teachers have pointed the wrong road.

In the course of the economic warfare of the last century the need for combination in defence of common interests was felt. Society had failed to regulate the conditions of employment; the workers or some of them took the business in hand for themselves. Hence arose the Trade Union movement, which may either be described as sectional individualism, or as sectional socialism. The record of Trade-Unionism is a human record; it is marked,

like other pages of human history, by errors, misdirected efforts, and even by crimes; its gains have probably been made more at the expense of unorganised labour than at the expense of capital; the trades which have succeeded in applying the methods of Trade-Unionism are in most cases those which had naturally the strongest economic position; after all the efforts of the last fifty years the trade-unionists only number a small proportion of the working population. In the course of the struggles passions have been aroused on both sides which will with difficulty be assuaged. Class-antagonism has been fostered, which is probably the greatest danger of the modern State. Sectional interests have been protected; common interests have been forgotten. For these blots on the record not one party to the struggle, but both parties must take the blame; or perhaps it would be more true to say that both parties were the sport of the forces which had been unlocked, while economists proclaimed that the State had no further duty than to keep the ring.

Yet the experience so painfully won is worth a high price; if anything has been proved, it is that some trades can be carried on and flourish under conditions which involve a normal period for the day's work, a normal rate of pay for piece-work, and a normal rate for time-work. If some trades, why not others, why not all? Not all at once, but one by one.

It is for the State to read and apply the lesson. The work of Trade-Unionism as far as regards the community has perhaps been done; sectional advantages may continue to be maintained or even increased by this means; but it is probable that by this time as many trades have been organised as are capable of successful voluntary organisation. While some persons are calling for "Socialism," and others are beating the individualistic drum, our real need is a policy for dealing with the conditions of unorganised labour, recognising on the one hand the need for individualistic stimulus, and on the other hand the necessity for socialistic control.

Other forms of sectional individualism or inchoate collectivism that have grown up in the stress of competition can be rapidly dealt with. The growth of joint-stock enterprise is a remarkable feature of modern times. Joint Stock Companies, though coarsely individualistic in their aims, are socialistic in their structure. In the first place, they facilitate the social use of capital. Even when they fail to earn a profit they often produce a permanent social utility; Rhodesia on the one hand, or a tube-railway on the other. Moreover, if ever the principle of Collective Ownership were accepted, in whole or in part, the State could take over almost all the Joint-Stock Companies without any material change in their organisation. The shareholders

could be dispossessed, with or without compensation, the directors could enter state-employment or be replaced, and the managing director could become a civil servant. Of course, the stimulus of individual gain being removed, the efficiency of the working would be diminished; and it is possible that, even apart from compensation, the State would find in many cases that it had made a bad bargain. But there is no doubt that the spread of Joint Stock Companies makes the problem of Collective Ownership apparently less difficult.

The larger the combinations that result from these voluntary associations the more near the approximation in structure and organisation to state-directed enterprise. The vast Trusts of the United States control a revenue and command a population which exceed the income and manhood of many minor states. The aim of each is to establish a great non-competitive organisation controlling the whole of a particular trade or industry in the widest possible area. So far the problems that they have to solve are identical with those which a government would meet in taking over each or all of the great industries in a country such as ours. But the principles on which they proceed are far different from those which could govern any state enterprise. Their single aim is commercial and industrial efficiency. They shed without remorse the units which are inefficient; they close a work-shop, they dismiss a manager, they dis-

charge or engage an army of workmen, as policy dictates. But the State cannot do so. The State has no limbo into which it can discharge its useless units. It may, exceptionally, run a large establishment on commercial lines, and reduce its staff when it chooses to restrict its operations. But when it is acting in its proper capacity as public employer permanence is the characteristic of its employment ; steadiness, accuracy, and regularity, are its ends rather than efficiency, pure and simple. And in any case, if it dismisses a workman it cannot disengage itself from its liability for his existence. It may have to find room for him in the workhouse, and its responsibility will be brought home by the fire of questions and motions in the House of Commons. Such parallels accentuate rather than diminish the difficulties of state-employment on the large scale.

The existence of vast organisations for the control of industry and commerce, trade-combinations, combinations of employers, unions of workmen, though they illustrate the tendency of modern times to centralisation and the elimination of certain forms of competition, have little bearing on the problem of state-control of industry and commerce. It is easier in a sense for the State to deal with a single aggregate instead of with a number of isolated and competing units ; but the force of resistance is correspondingly increased when organised bodies are substituted for discrete units. Certain problems of organisation and

assimilation are solved, but those which remain unsolved are the most important to the common welfare. The existence of these great combinations brings out, however, more clearly the problem of collectivism. Every one of these great bodies is in a sense at war with the community. Each desires by one means or another to secure the greatest amount of sectional advantage. Under any system of collectivist administration every trade and industry would be, to a certain degree, in the same position.

But there are other developments which illustrate more usefully the tendencies of modern times. In the Middle Ages individuals were expected to provide arms, and even ships, for the public defence. More recently we have the Royal arsenals and the Royal dockyards. In our own generation the State has become the purveyor of other utilities, which would either have remained unprovided, or have been provided under less convenient conditions. The postal and telegraph services and the system of primary education are the most conspicuous examples in these kingdoms. In other countries railways and canals are a public service. The parts of the State, cities, counties, boroughs, villages, have similarly extended their operations; drainage, water-supply, lighting, paving, schools, markets, docks, harbours, tramways, picture-galleries, assembly rooms, infirmaries, have been made matters of municipal supply. Some of these services date from very ancient times in other

countries ; one or two were collective enterprises in this country as early as the Middle Ages. But on the whole the field of collective enterprise, central and local, has been very greatly extended here within the last thirty years.

Further, there has been a great extension of regulative legislation. Factory Acts, Inspection of Mines, Railway Acts, Employers' Liability, Food Adulteration Acts, Smoke Abatement Acts, Building Acts, compulsory notification of infectious diseases, medical inspection of school children—these are only a few of the more important measures regulating private conduct or enterprise, which have been added to the Statute Book within the last half century. All these measures are socialistic in their tendency.

In fact, socialistic developments have taken two main forms, the extension of public enterprise, and the regulation of private enterprise. To a certain extent these two methods can be pursued collaterally ; but there is little doubt that before long two sharply defined opposing schools of thought will establish themselves on the ruins of the discredited academies of unqualified individualism and *laissez faire*. One school will aim at leaving as much as possible to individual enterprise, and content itself with regulating so far as possible the conditions of employment on an equitable and healthy basis. The other will urge the State, as a whole and through its municipalities, to take upon itself more and more the

functions of a direct employer of labour. Both will aim at extending the public advantages offered by the State to the community, both will aim at social reform, but the one will adopt the method of state-partnership, state-regulation, state-control, and state-inspection, the other that of direct employment.

The former is capable of wider and more rapid extension; the energies of the State are not unlimited, and its machinery cannot be hastily improvised. Whereas regulation, control, and inspection, can be extended to the whole field of industrial and commercial life within a limited period, direct employment can only slowly and with difficulty acquire one field of action after another. Further, the method of regulation leaves to the forces of individual energy the freest play which is consistent with the welfare of the community. It satisfies or can progressively proceed to satisfy the conditions of healthy equilibrium between individualism and socialism. The doctrine of direct employment is professedly socialistic; it confessedly aims at replacing individual energy by the conscious action of the State. But it is not free from a bastard and inverted individualism of its own. Many of its exponents, considering that the conditions of private employment are unsatisfactory, make it their deliberate policy to increase the number of those who enjoy the superior advantages of public servants. Those advantages may be presumed to be: better pay,

shorter hours, greater security of tenure, less pressure and effort. But it may be doubted whether these advantages, real though they probably are, have eliminated discontent from the public or municipal services. A privileged class is created which does not value its privileges. And these differential advantages, such as they are, are obtained at the expense of society; not, on the whole, at the expense of the wealthy, but at the expense of the weakest members of the community. Any change which diminishes activity and increases consumption diminishes the divisible income of the community. And in the struggle for the diminished wealth it is not the strongest, but the weakest, who will suffer most. If the extension of direct employment by the State or the municipality tends to diminish the efficiency and to increase the emoluments of those who are directly employed, then in so far direct employment is not in itself beneficial to the community. It can indeed be justified in so far as the utilities desired can only be supplied or can be most economically supplied by direct employment. There are, no doubt, many services of which this is true; every proposal for direct employment presents its own problems, which must be decided on their merits, not with a view to the sectional advantage of any group, but with regard to the net advantage of the community. The acceptance of the principle of regulation in preference to that of direct employ-

ment would not tend to diminish the supply of public utilities through the direct action of the public authorities. But it would tend to incline the State and the municipalities to enter into partnerships with firms and companies privately owned, regulating conditions of employment, sharing in exceptional profits, but relying on the stimulus of individual interest to secure the greatest efficiency in the conduct of such undertakings.

The doctrine of direct employment, taken in conjunction with a democratic system, presents certain political problems, which are briefly touched upon in the essay on Democracy. The system of regulation avoids so far as possible the creation of sectional interests which can only be satisfied at the expense of the community. This is a political as well as an economic advantage.

Thus, in our highly-complicated modern system, individualism stands for energy, socialism for order. Excessive individualism means energy without order; excessive socialism, order without energy. It is the task of statesmen and of legislators to improve the order and regularity of our social machine without impairing the energy which keeps it in motion. The precise methods by which this double end can be best achieved, by which this balance can be justly and happily established and maintained, are subjects for practical inquiry and experiment, to be carried on day by day, year by year, generation after generation. With such practical questions these essays are not concerned.

CHAPTER VII

EGALITARIAN COLLECTIVISM

IN the definitions framed above (Chapter VI) I have found it necessary to depart somewhat from current usage.

When men speak of individualism, they no doubt have in mind, not only a doctrine, but a system of customs, forces, and institutions. When they speak of socialism, they are apt to neglect existing customs, forces, and institutions, and to fix their attention exclusively on certain revolutionary doctrines. This is true not only of the opponents but of the champions of "Socialism." Those who set out to combat "Socialism," make it their object to use all possible means to diminish the growing influence of certain teachers. Those teachers call themselves "Socialists," rightly, no doubt, since one and all they desire to use the power of the State to diminish certain evils and injustices existing in the State, which are not merely of individual but also of social importance. Their fluctuating and uncertain body of doctrines, of which there is no one authoritative

exponent, no single coherent school, is termed "Socialism." The more extreme of these teachers, and it is the more extreme who attract the most attention, devote their energies mainly to two tasks ; the emotional description of various forms of human misery, and the lurid exposition of "capitalist" misconduct. Occasionally they pause to remark that "Socialism will cure all this" ; or something to that effect. If you enquire what they mean by "Socialism," the best answer you are likely to get is "the collective ownership and administration of all the instruments of production, transport, and exchange." There is, no doubt, a more moderate and better instructed school of socialists, who, though not afraid of collective ownership and administration, are content to proceed tentatively, following the road of least resistance, and invoking the public authority as owner or regulator as circumstances seem to permit. With such socialists I have no controversy. Each step that they may propose is a question of expediency, to be argued on its merits ; to discuss the next steps they may have in view would trench on questions of practical politics into which I do not propose to enter ; they know as well as I that the forces of individual self-interest may be regulated, but cannot without danger to the community be diminished. Meanwhile they contribute to our knowledge of economic fact and structure ; and their inexhaustible zeal for the im-

provement of social order is certain sooner or later to bear fruit.

But the extreme school of "Socialists," who put forward collective ownership as their ultimate goal and some of whom do not fear to indicate a bloody revolution as the necessary means to this end, have in view of course the redistribution of wealth, so as to improve the income of the poor by diminishing that of the rich. I have not been able to discover whether strictly egalitarian views predominate among these teachers ; but it is certain that some socialists have advocated an equal division of wealth in the past, and that others will advocate equality of remuneration in the future. It is therefore not idle to discuss it ; and the results that are obtained will be applicable, *mutatis mutandis*, to any system of universal state ownership and state remuneration. Any such system would probably fix a low maximum and a high minimum of individual income in money or in kind.

The sum of all the incomes of all the individuals in the United Kingdom cannot be accurately ascertained ; but it may be estimated as amounting under existing conditions to about £1,800,000,000. This would give an average of about £40 a head ; and for a family of five about £200 a year, supposing that the existing total income remained unchanged after redistribution. But this supposition cannot be maintained ; it is certain that the national

income would be very materially diminished at first and for many years after the change.

It is improbable that a system of collective ownership would be established all over the world at the same moment. But assuming that it were, then the private possessions of British subjects abroad and the incomes derived by them from operations abroad would be retained for the benefit of the communities in which those possessions were situated and in which those incomes arose. If it were established in this country and not in all, in the foreign collectivist states British incomes would be retained, while the British owners of foreign possessions and incomes in states unaffected by the change of system would be careful not to allow the proceeds to be transmitted to this country. They would migrate if they could afford it; if not they would allow their revenues to accumulate abroad for their future benefit. In no case would the foreign revenues of British subjects be remitted to this country. We should therefore be poorer as a community to the extent of not less than, and probably more than, £100,000,000 a year.

Again, in whatever ways a collectivist community might be efficient, it is certain that it would not be successful as a trader. Foreign trade would have to be carried on, because we require the necessities which it supplies; but, the remuneration of managers and workers being fixed and the test of financial

success being no longer applicable, we should have to export what we could, sell it for what it would fetch, and buy what we required with the proceeds. We should no longer know whether our operations were profitable; and the result must be a considerable diminution in the returns of our foreign trade. I do not think it excessive to estimate a further loss of £100,000,000 on this head; taking into account the immense disturbance resulting from the change to collectivism.

Further, the redistribution of wealth would result, apart from disturbance and from less effective management, in the destruction of an immense number of values, and the diminution of others. We reckon a rich man's income by pounds sterling; but what he actually receives is commodities, services, and other utilities. His food is choice and exquisitely prepared; his wines are rare; his town mansion is in the most fashionable part of London; his horses are of pedigree stock; his motors powerful and delicately adjusted; his clothing is made by the most skilful hands and designed by the most accomplished designers; his house is filled with old furniture of fabulous prices, and with precious objects of art; his jewellery alone may perhaps represent a year's income. These things cannot be divided up; the special values of all of them would disappear with the disappearance of a moneyed class. His houses would only have the value of tenement dwellings; his horses would

draw public conveyances; his motors would carry the post or the collectivist leaders; his objects of art would be put in museums; his jewellery would have no value if there were no rich men to purchase it. His skilled servants would be fit only for the lighter kinds of unskilled labour; the aptitudes of his purveyors could only be utilised in the wholesale slop trade. You can confiscate the wealth of a few rich men, or a part of the wealth of all. If you confiscate all the wealth of all the rich a great part of it must melt in your hands. All exceptional values resulting from rarity will then disappear; food will be just food; wine just drink; horses just hacks; and jewels will have no more value than beads.

The sum of the national income is derived from the addition of the incomes of individuals. But there are great classes of individuals ranked as rich whose social utility is valued highly (in other words, whose incomes are large) because they serve the rich. These incomes would disappear if there were no rich to serve. The Harley Street doctor, the successful barrister, the Royal Academician, the popular actor, the *prima donna*, the *ballerina*, might continue to supply services of the same kind as they supplied before; but it would be absurd to value their services at present prices and to regard them as consumable utilities divisible among the members of an Egalitarian Collectivist State. What these eminent specialists have hitherto consumed, directly or in-

directly, could be, with certain important reservations, redistributed. But the valuable consideration in virtue of which they received their income would have to be revalued at the equivalent of the normal wage. However, the persons in question would no doubt solve this difficult economic problem by transporting themselves and their specialised talents to some foreign country. Similarly, all rents of exceptional residential advantage would disappear; Bond Street would perhaps purvey fried fish, and cheap finery; the houses of Park Lane would be divided into tenements.

How much would have to be deducted from the national income in consequence of the destruction of these special values it is impossible to estimate. But it would be a very great sum.

Further, the industrial efficiency of the community would be enormously diminished by the destruction of the value of the special aptitudes of, at any rate, a very large minority of the manual workers.

The statement that the rich supply employment for the poor is open to objection; it suggests that the wealthy classes are a charitable institution, which they are not; but like all popular phrases it conveys a modicum of truth. Society is in fact organised for the supply of the wants of the community, including those of the rich. If you abolish the rich, the existing ends of that organisation would be profoundly modified; and another scheme would have to be

improvised involving the destruction of the value of many highly specialised aptitudes.

Mr. Sidney Webb, whose calculations may generally be relied upon as representing a near approach to truth, so far as truth is ascertainable, reckons that the manual workers with their families number nine-tenths of the population and receive from one-third to two-fifths of the total income. This calculation is highly conjectural as regards the distribution of income; but a ten per cent. error would not affect the present argument. Taking these proportions as approximately correct the upper tenth together with those who directly or indirectly minister to their wants *may* absorb the services of three-fifths of the community. It is probable that they absorb less, as on the whole those whom they employ directly or indirectly for the satisfaction of their immediate needs are better paid than those who are engaged in satisfying the simpler needs of the poor. It is impossible to guess what proportion of those who work to supply the wants of the rich are possessed of specialised skill which could not be utilised under the new system. But there is no doubt a very large number of such persons. Some of these might be employed at once, though at a great sacrifice of acquired aptitude, in making commodities for the poor or commodities for the State, instead of supplying commodities and services to the rich. But by far the greater number will have learnt no industry that is required in the new

community; some of them may not suffer in income, but all of them will suffer in dignity by becoming unskilled workers; they will have to turn to uncongenial employment; and the revenue which they previously earned must be subjected to very considerable deductions before it can be regarded as available for division among the whole community.

In fact the national income can be estimated in pounds sterling, but it actually consists of commodities, services, and other utilities. Those utilities are valued at present at competitive prices depending on the collective demand schedule, including the demand of the rich, who receive, according to Mr. Sidney Webb, three-fifths of the money income of the community. Before the total annual money value of existing utilities can be regarded as available for redistribution, a complete revaluation must be made, on the basis of the collective demand resulting from a system of egalitarian remuneration. All exceptional values for commodities and services and other utilities adapted exclusively to the desires of the rich would disappear; and the total value of the national income for purposes of redistribution would be proportionately diminished.

But other valuations would need to be reconsidered. Many engineers, organisers, and inventors, render services to the community which are at present valued at great annual sums. If under an egalitarian *régime* they continued to render equal services the

community would not be poorer, though they, as individuals, would receive less remuneration. But is it likely that the value of their services would not be diminished? Some persons of exceptional public spirit might continue to do their best work, so far as the conditions allowed, for the average wage. But on the average the average wage would only secure the average service. In the next generation things might be different. Exceptional men might be trained up to do exceptional work for the love of the job, and for the honour and power which would, if things were wisely managed, redound to their advantage. But any approach to an egalitarian *régime* would at first evoke the sullen discontent of every man, from a foreman of works or chief cashier to a captain of industry, whose interests were prejudicially affected. The loss of efficiency, which would result from this sense of injury and injustice, can hardly be overestimated.

Against these losses we must set economies and improvements, some of which would follow as a matter of course, while others are theoretically possible. There would be a saving in advertisement and wasteful forms of competition. But the effect of equal remuneration upon the efficiency of the rank and file of the workers must be reckoned on the other side.

On the one hand, those who have hitherto been insufficiently paid and those who have lived and

worked in unsanitary conditions would become capable of more sustained and strenuous labour. Intervals of unemployment might become less frequent in course of time as the problem of organisation was gradually solved ; and some work might be extracted from those who have hitherto been regarded as unemployable. On the other hand, the motive of individual self-interest would cease to be operative. New rewards might be provided for the encouragement of inventors, organisers, and those who undertake exceptional responsibility. But for the ordinary man no motives for exertion would remain except public spirit, native energy, and compulsion. There is no reason to suppose that the introduction of collectivist conditions would alter human nature. Public spirit would continue to actuate the few ; it would have no more influence on the many than it has had in the past. Native energy would be sufficient in some cases. *Bon chien chasse de race* ; the good horse goes up to his collar ; and there are some men who could not be bad workmen if they wished. But these are exceptional. For the vast majority compulsion would be the only motive. And with regard to compulsion, it is to be noted that the only forms of compulsion that men willingly endure are those forms to which they are accustomed. Men work now under the necessity of providing for their physical needs and the dread of dismissal. These motives are so familiar that the compulsion is less

galling than any novel form of coercion would be. State authority and the fear of punishment would be ineffective substitutes. They would arouse a more obstinate resentment than want of pence. Workers would naturally fall into various classes : those who would work well if left to themselves, those who would work well under ordinary supervision, and the vast majority who would need to be subjected to various forms of compulsion ranging up to the severest kind of military discipline. Some loss of efficiency would probably result in any case ; but liberty would be in inverse proportion to efficiency, and, if the form of government were democratic, efficiency would probably be sacrificed to liberty, which would nevertheless by the force of circumstances be imperfect. It is probable that the loss of efficiency resulting from these causes would far outweigh any economies resulting from improved organisation.

There would be a further and more subtle loss owing to the impossibility of adjusting production with any accuracy to the needs of the population. Under present conditions price is an automatic index of social utility. If the price of any article rises relatively to other commodities the production of that article tends to increase and *vice versa*. But under a universal system of State remuneration prices would have to be fixed by rule of thumb ; production would be regulated by the estimated demand ; industries

would be carried on without any knowledge as to whether they were really profitable; miscalculations, delays, waste, would occur which are avoided at present owing to the spur of individual self-interest. The State has been proved to be in general a bad husband, even when it is possible to check its expenditure and to regulate its payments by the results of competitive commerce and industry. State management would not tend to be more economical when there was no standard of profit and loss to which its achievements could be referred.

Some industries would perchance be carried on although it would be known while the memory of the competitive *régime* lasted that they were carried on at a loss. The most conspicuous example is that of agriculture. It cannot be maintained that after confiscating agricultural rents and the farmers' profits the revenue derived from agriculture in this country would suffice to provide an average income of even £30 a year for every man, woman, and child living upon the land. There would be no competitive rents to force agriculture into its most profitable channels, and to cause the industry to be distributed most economically over the land in accordance with its greater or less productivity. Yet we could not, without serious damage to the State, diminish the proportion of our population which lives and works upon the land. What is conspicuously true of agriculture, is true also in a less degree of all

industries: there would be no certain criterion by which we could decide which should be extended, and which contracted. The great advantages that arise from foreign trade would be sacrificed. We should still import from abroad those commodities which we were not able, or did not wish, to produce at home. But the import of those commodities which we elected to produce at home would not require to be prohibited; it would cease.

By the time that all these deductions from the divisible income have been made, the £41 or £42 a head with which we started will have suffered a notable diminution. It would be sanguine to hope that the commodities and utilities available for distribution would average more than £30 per head, when valued at the prices which a well-to-do artisan could afford at the present day to pay for them. This would mean a considerable improvement in the condition of the poorest section of the population. But the figure thus conjecturally reached is perilously near the cost of maintenance for indoor paupers (£28 a year). I am aware that others beside the paupers live out of the paupers' allowance; and I do not suggest that under an egalitarian *régime* we should all live as the paupers live now. But I doubt whether our condition would be very much superior.

For there would not only be a loss on the side of production, and an apparent wastage of existing values, but there would be a loss on the side of con-

sumption. At present the inefficient person, unless he happens to be rich, is forced to contract his expenditure. It is to be hoped that under a collectivist system the number of inefficient persons would be to some extent diminished. But there would still be parasites; and the social organisation, instead of tending to starve them, would allot to each the full rations of food, clothing, and house-room. Whether they would also be allowed to multiply at will would depend upon the stringency of the collectivist rule. If it were inspired by those humanitarian sentiments which sway public opinion to-day it is unlikely that any check would be imposed upon the propagation of the parasitic stock.

The expenses of government would be vastly increased. Everything that now proceeds automatically by custom and the operation of supply and demand would need to be consciously directed and controlled. There would be an endless system of inventories, indents, receipts, vouchers, correspondence, minutes, memoranda, rules, regulations, and conflicting rules and regulations; the whole economic world would be enmeshed in red tape. This could not tend to efficiency.

Nor can it be assumed that because everyone was poor incomes would go further. Certain things would be cheaper, but for them full allowance has already been made. Articles of general consumption would in effect be dearer. All those things, which

now owe their cheapness to sweated labour, would rise in price. There would be no finery or furniture that was not cheap, but all of it would be relatively dear. Some things would be sold below cost price, but all things could not be sold below cost price. Moreover, if the State was the only producer and carrier, it would also be the only trader. We could not expect from the State shops the same lavish profusion, the same exuberance of invention, the same eagerness to satisfy and anticipate wants, that are exhibited under the competitive *régime*. Everything would be more or less standardised, and people would have to put up with what they could get, instead of purchasing what pleased them most. There would be little pleasure in expending one's wages under a collectivist system. Wants might be satisfied; but tastes would be starved. There would be little joy in possessions, when all possessions were more or less alike.

Again, though equality of remuneration might be established, all employments would not be equally attractive. The most disagreeable tasks might be allotted to the contumacious and recalcitrant, as penal labour. There would still remain vast differences in the exertion, the danger, the exposure to weather, the cleanliness, the variety, the prospects of promotion, in different employments. The State would have to allot the various employments to youths on entering life; herein would be endless opportunities for jobbery

and favouritism; and, whereas at present a man takes what life gives him as the act of fate without any sense of direct personal injustice, under a collectivist régime every inconvenience, every hardship, every unusual demand, would come to him direct from the government; he would know what, if not whom, to blame. The task of governors and officials would not be uniformly enviable; though there might be compensations.

For it is absurd to suppose that in a collectivist State there would be no hierarchy of governors and officials. On the contrary, the task of government would become so complicated and difficult that the possession of exceptional knowledge and ability would be a *sine quâ non* for all the host of higher executive authorities. The various democratic bodies, local and central, might issue their behests; but it would be beyond their power to execute them. Those who possessed the requisite knowledge, and could exercise the necessary influence over ignorant representatives, would hold the machine in their hands. While human nature is what it is, it seems probable that representatives and officials alike would sway the various balances in favour of themselves and their friends, that perquisites and secret gains would speedily reappear, and inequalities of remuneration would in fact result.

But, supposing that equality of remuneration were established, this is the best that it would amount to;

an income of £30 a year for every man, woman, and child. This estimate probably errs by excess rather than by defect; but take it as a mean estimate—say £150 for a man and his wife and three children. This is the kind of income that a second-rate clerk may aspire to. To millions of our fellow-countrymen such an income would now seem to be considerable wealth. But when they had enjoyed it for a while it would seem a miserable pittance. And there would be no prospect of its improvement. What a man needs is some hope of bettering himself, some prospects of advance. If you give him security of tenure, he will ask for an increase of salary. Unless human nature changes very much, I cannot imagine any surer specific for exciting universal and intolerable discontent than to secure to every man from birth a competent pittance, without giving him any prospect of progressive advancement.

For this uncertain and contingent amelioration in the general lot we should sacrifice all the variety, all the romance, all the spice and adventure, all the play and pageant of the existing world. What place art and literature would find in a collectivist *régime*, I have never been able to discover. They, above all human activities, require for their development the free and untrammelled expansion of the individual. The collectivist State might devote abundant resources to the decoration of public buildings, to music, the drama, and the printing of books. But it could

never command the varied invention, the spontaneous creative force, the natural love of beauty, which has in some favoured ages resulted from the free rivalry of artist with artist, and patron with patron.

In this chapter I have devoted my attention to a scheme which most, if not all, of my readers will regard as visionary. No one imagines, I suppose, that a complete system of equal remuneration could be at once established. But so many arguments are based on the existing valuation of commodities and services, and on the assumption that the values of commodities and services would not be affected by redistribution of wealth, that I thought it might be useful to show that the existing income of the community is not in fact available for redistribution. Almost any attempt to redistribute it will, at any rate for the time, diminish it. If any considerable sum be suddenly taken from one class and given to another the organisation of society will be to that extent disturbed. A great number of persons will actually lose their occupations ; others will find their business slack where it had been active. It is true that fresh employment will be created in other directions. But this fresh employment will not meet the case of those who are thrown out of work. The new employment will be of a different character from that which is destroyed. It will fall to those who have the specialised faculties to meet the need. It will

largely go to make those who are already employed more busy and more prosperous ; it will absorb the margin of unemployed in certain trades and industries ; but it will not provide work for those who are displaced. These will be obliged, with toil and tribulation, to force their way back into the frame of society ; many who have been regarded as skilled will fall into the ranks of the unskilled and increase the pressure in the market for unskilled labour. Eventually the organism will be restored to its normal condition ; but an intermediate and indefinite period of wide-spread destitution and misery will be traversed ; and nothing will compensate those individuals whose fortunes have been shattered. Orthodox political economy may say that labour and capital will be diverted into new channels ; but it cannot show that it will be the same labour or the same capital, or that it will be painlessly diverted, or without loss. Such considerations should always be weighed when any great financial measure is in contemplation. It should be carried out as gradually and gently as possible in order that the organism may be able to adjust itself by minute and progressive changes.

Thus any rational system of universal collectivism would do well to recognise the desirability, if not the necessity, of great differences in remuneration. High salaries would pay for themselves ; first, in the stimulus to personal exertion which would be

felt throughout the community if exceptional skill or other services received exceptional rewards; secondly, in the enhancement of the values of commodities of higher quality. Under a system which gave to all equal remuneration no one could afford to pay the price which is now commanded by articles which by art or nature possess exceptional value. In so far as these articles were produced at home the State would gain if there were rich people able and willing to pay for them. They would take out their salaries, as they do now in large measure, rather in quality than in quantity. Anyhow there is no logical necessity for collectivism to be strictly egalitarian; and some of the most serious objections disappear if wide diversities of remuneration are allowed for in collectivist schemes.

In fact, equality of remuneration is not in reality socialistic; it is not defended on the ground of the benefit to society at large, but, consciously or unconsciously, it is recommended by the prospect of advantage to the majority of individuals. It is not denied that, if a system of equal remuneration could be carried out by a stroke of the pen, the majority of persons would receive more consumable utilities than they do at present; but, whereas the minority would undoubtedly suffer, it is more than doubtful whether the majority would be contented, or have reason to be contented, with the change.

CHAPTER VIII

TRANSITION TO THE COLLECTIVIST STATE

THE existence of a strictly collectivist state is conceivable. Such a state might even attain some measure of success. But the transition from an individualistic to a collectivist economy presents insuperable difficulties, whether the substitution of universal collective ownership for individual ownership be conceived as sudden or as gradual. The roads by which this consummation could be approached appear to be: progressive taxation, progressive extension of state enterprise, gradual purchase at full current prices, gradual acquisition at a price below the market value, gradual confiscation, sudden and universal confiscation. Sudden confiscation might theoretically take place by peaceful legislation; it is more plausible to imagine that a revolutionary uprising or a *coup d'état* might bring it about.

The success, such as it was, of the French Revolution has probably led many to believe that the collectivist state could be realised by way of revolution. By the French Revolution of 1789–

1795 a scheme of government was swept away, a governing class was dispossessed. The flood-gates appeared to be open; the rule of custom seemed to have made way for the rule of reason. Great changes were indeed carried into effect; and the price in human life and human suffering, though terrible, was not unexampled. It is not necessary to debit the French Revolution with the cost of the Napoleonic wars. The results of the Revolution might perhaps have been maintained without them. But even taking those wars into account, the sufferings and sacrifices of France during the period from Henry III to the Fronde were probably greater than those endured during the Revolutionary and Napoleonic times. Those who desire revolutions may point to the French Revolution as a proof that even a great revolution does not involve intolerable consequences.

But this inference requires qualification. A political revolution does not necessarily imply any great national disturbance. Politics are but a small part of the national life. To displace a king, to displace a ruling caste, does not interrupt the ordinary course of human life. To-day I receive my orders in the name of Louis, to-morrow in the name of the French Republic, the day after in the name of Napoleon; but the orders will be much the same, and there are many days on which I receive no orders at all from or in the name of the head of the State.

Even the machinery for framing and passing on the sovereign behests will be changed more in name than in fact. The new ruler will adapt the old plant. Regarding the French Revolution as a political revolution, the wonder is not that it should have been so cheap, but that it should have cost so dear. Politically considered, the English revolution of 1832 was almost as great, and it was achieved without any violent convulsion.

The French Revolution was not, however, purely political. It had a social and economic element. It dispossessed not only a monarchy and an oligarchy, but a class of proprietors. The stubborn resistance that resulted, the drastic repression that was needed, were symptomatic of the economic rather than of the political struggle. Where property is at stake passions run higher than when questions merely political are at issue.

Yet the economic side of the French Revolution was very narrowly limited. The desire for change was great; the changes effected and perpetuated, though important, were not fundamental. Reason recoiled before the complexity of human affairs; the work of remodelling stopped; custom reasserted her sway. The class that was dispossessed was numerically small; further, it was discredited and enfeebled by the Emigration. The dispossession itself affected ownership far more than occupation. The same persons who had occupied and worked the land

before the Revolution for the most part still occupied and worked their holdings after the Revolution had been completed. The transfer of proprietary rights was considerable, the change in working operations was insignificant. Moreover, the land alone was affected. Industry, commerce, transport, went on as before. Public finance might be difficult, public credit might be shaken; but private credit was not attacked, and the general system of society was left unchanged. The French Revolution was terrible because it attacked property; it was not intolerable because the changes it effected in proprietary rights were limited, and simple of execution. The spirit of the Revolution was individualistic, not socialistic; the rights of man were emphasised rather than the rights of the State; and the communistic views of Babœuf and others obtained but little vogue.

The universal social revolution of which enthusiasts speak so lightly would not be thus limited in operation. It would not attack the land alone. It would lay its hands on all the machinery of industry, commerce, transport, and credit. It would threaten not only every capitalist, every landowner, every shop-keeper, every manager, every director, every foreman, but every person who had a few hundred pounds invested in a bank or a business, or in the public funds. It would jeopardise the position of every wage-earner, every consumer. It would, for a time

at least, introduce disorder into every enterprise, however necessary. London without milk for a week, London without coal, without light, would be an unthinkable welter of crime, misery, and death. Yet the social revolution might mean this and worse.

For, although the French Revolution took place and lasted for six years or for twenty-six years, whichever reckoning be preferred, and was accompanied by no results that we can strictly term intolerable, even so limited a revolution would produce widely different results in modern France or England. The social machine has become infinitely more complicated during the last century. Locomotion and transport in revolutionary France depended on horses and carts; now it depends on railways. An army of horses and carts cannot be completely paralysed; a railway requires the maintenance of order, discipline, and financial stability. Lighting in revolutionary France was a private concern; in modern times it depends on elaborate machinery and organisation. Credit in revolutionary France was mainly a question between man and man; in modern England it depends on the Bank of England and on a few people in Lombard Street; and on this basis the whole fabric of our trade and industry is constructed. If legal government ceased to-day, the Bank of England would close to-morrow, all other banks would be shut before the week was out, and nine-

tenths of all the workmen would have to go without their weekly wage. If the revolution lasted for ten days, all business would be suspended; if it lasted for a month, most of the townspeople, at any rate, would be dead. Long before that point was reached the revolutionary leaders would be flying for their lives; and the population as a whole would be on their knees before any man of authority who could show them the way to restore law and order.

It does not seem impossible that the establishment of a collectivist *régime* by violence should be attempted; it seems unlikely that such an attempt should be successful even for a few days. No rising could be successful in the face of a government that controls all the cannon, all the rifles, all the regular army, all the police, provided they had the courage to use force. But if, as is not inconceivable, they shrank, like Louis XVI, from the shedding of blood, the rising might prevail. If it were successful even for ten days, the dislocation of credit and finance would bring the whole industrial and commercial machine to a standstill. The work of reconstruction would have to be done amid tumult, disorder, and famine; under such conditions what chance would there be of a successful result?

The probability of the successful establishment of a collectivist *régime* by violent methods may therefore be set aside. It remains to consider constitutional or quasi-constitutional methods by which such a result

might be obtained. Any such scheme must pay homage to sentiment, especially to the sentiment of justice; it must not arouse invincible opposition, it must adapt, not violate, existing habits and customs; it must take into account the immense complexity of human affairs. Failure to satisfy any one of these conditions means disorder, waste, inefficiency, discontent, resentment, strife, poverty, sedition. The ills we know are less than those which would follow any ill-considered scheme of social reconstruction.

The first method to be considered is taxation. Mr. Henry George has suggested means by which the nation should enter into the possession of the land by taxing the landowner out of existence. There is a certain plausibility in this suggestion. There is no doubt that the owners of land in any progressive community are in a position to exact a tribute on the increasing wealth of the nation. This is especially the case with the owners of town lands. This tribute is not exacted for any public service, but merely goes to swell the private income of certain fortunate individuals. It is much to be desired that some just and equitable means should be found to prevent the increase of this private tribute in the future. As regards agricultural lands, the case is somewhat different. Not only has this tribute been diminished by a considerable percentage during the last thirty years, but the landowner in the country performs certain public services that

are of undoubted advantage to the community. He improves the land, he maintains the buildings and equipment, he and his predecessors have done much to promote better agriculture, he endeavours to perpetuate and increase the local amenities, he is an integral part of the social organisation of the country. But agricultural land may at any time acquire a residential or industrial value, and it is very difficult to separate the urban landowner from his rural counterpart.

There is yet another side to the land-owning class. Under the laws of this country, though not in all countries, the mineral rights belong to the land-owner. If the value of coal and other minerals tends to increase in the future as it has done in recent years, the owners of minerals will be in a position to exact further tributes from the industry of the community. Elsewhere, as in Germany, these tributes redound in large measure to the credit of the community; and if we were to establish a new system from the foundations we should no doubt introduce some similar provision, which would injure no one and provide necessary resources for the public good. Taxes which take the form of rents or royalties are the most equitable; they interfere least with individual activities; they are levied on those differential advantages which are due to no individual effort or forethought; their burden is not felt, their incidence is just. But

there is a great difficulty in introducing any special regulations with regard to the land. Land is readily marketable in this country, and is constantly changing hands. If we confiscate a part of its value, we are dealing, or may be dealing, unfairly between owners of different kinds of property. If a man buys land, he gives its market value in other goods. If a man sells land, he receives in money or other securities its full prospective and other value. In view of such transactions, which may be very recent, it is not just to discriminate between land and other property.

Looking at the question historically, we obtain but little light. All the rights of landowners are so ancient that any enquiry into their origin is of purely academic interest. Few of those rights are of later date than the reign of Charles II. With the exception of the common lands enclosed by Act of Parliament almost all property in land is held by rights which go back to the time of the Norman Conquest, if not to an earlier period. The public burdens which accompanied the privilege of land ownership have become obsolete. But they were already becoming unimportant in the time of Edward III, and the abolition of feudal dues in the time of Charles II did little more than complete the process of emancipation which had begun four centuries before.

As far back as our records extend we find private property in land. The supposed collective owner-

ship of the village community is an unproved hypothesis. But the land-charters of the Anglo-Saxon period seem to disclose one interesting fact. If we understand their evidence correctly, almost all the superior rights which now make property in land so valuable at one time belonged to or were claimed by the King. He alienated those rights by way of gift before they became valuable and for consideration which he then considered adequate; and the title which he conferred held good. Had he retained his claim to tribute, his ownership of wood and waste and water, or had he periodically resumed his superior property, his revenue from land alone might now go far to defray the public expenditure. But if the King by some marvellous prescience had safeguarded these potential revenues, English liberties would not have existed. The King's need was the people's opportunity. In consequence of these alienations, his revenue did not suffice for his private needs, still less for his public burdens. He had to come to the land-holders and to the burghers for subsidies, tallages, and grants, and they exacted from him in return redress of grievances, charters, and liberties. The feudal system is not popular to-day; but to the tenacious self-assertion of mediæval feudatories we owe the acceptance of the principle that taxation requires the consent of the tax-payer; and this principle contains the germ of representative govern-

ment, which was invented, in fact, to suit the case of the minor feudal tenants. Private property in land has been in the past the foundation of our political liberties. It does not follow that it is essential for their maintenance in the future; but in the past this principle has secured to us not only the prosperity and progress of agriculture, but also the chief part of those constitutional liberties of which we are so proud.

The recognition of this fact need not prevent us from pointing out that our liberties are now secured by other agencies: stable laws, fixed principles of government, popular representation. Moreover the elaboration of legal safeguards and contracts makes it possible to-day to secure all the advantages of private ownership in land without the disadvantages. If the State drew the rents and royalties arising from land the position of the occupier, lessee, and cultivator would not be much worse or much better than it is under the individualistic system. The State would be richer; taxation would be lighter; enterprise would not be seriously diminished. Hence it is to be regretted that in British colonies the absolute ownership of the land should have been so freely alienated in the past, and even now should be so readily allowed to pass from the hands of the public authority into those of private individuals. Long leases at nominal quit-rents would have afforded guarantees sufficient for the encouragement

of industry and personal enterprise, while they would have retained for the benefit of the community an enormous prospective revenue; and under a democracy the state-ownership of land is rather a safeguard than a danger to individual liberty.

The French revolutionary State, when it came into the possession of the lands of the King, the Church, and the nobles, hastened to alienate this property by selling it for what it would fetch. There has been recently a movement in Russia for the transfer to peasant proprietors of enormous public and semi-public domains. In Ireland, where the State has made a great effort to purchase the proprietary rights in the lands, it has done so with the deliberate intention of distributing them again on individualistic principles. In a few years, if land purchase is enabled to go forward, the State will be the owner of all the Irish land. In a few more years it will have sold all those rights to the Irish peasantry. It thus appears that the modern State shows no greater prescience with regard to the alienation of valuable tributary rights than did the Anglo-Saxon Kings or the Norman Conqueror. Yet state-ownership of land and rents is in no way inconsistent with the existence of a prosperous and vigorous peasantry. It is the one system which would render protective duties on agricultural imports perfectly fair to all classes of the community.

The extinction of private property in land by

taxation is feasible, but unjust. It is feasible, because the land cannot be removed. It is unjust, because it is impossible to draw a hard and fast line between real and personal property. Not only has land in many cases been recently bought and sold, but it is impossible to separate accurately the interest of the proprietor from that of the lease holder, the values of the buildings from that of the site, the indestructible properties of the soil from the result of the improvements made by the investment of capital. Moreover every established industry, every established business, places its proprietors in a position to exact from the revenue of the community a tribute not so permanent in character but not less important in amount. The great railways of the American continent afford the most conspicuous illustration of tribute-taking corporations. These great bodies have rendered the development of a vast industrial community possible; they have, behind a mist of fraud and chicanery, rendered great economic services; they are now in a position of irresponsible power which enables them to exact a progressive tribute from the growing wealth of the community, to influence elections, to thwart the law, to control legislators and legislatures. But every owner of an established business or industry, every bank, every firm of solicitors, every institution which owns a valuable goodwill apart from its material equipment, is in the same position of drawing a rent or tribute

from its differential advantages. The rent of land only differs from the rent of other exceptional advantages by its permanence, its certainty, its indissoluble attachment to a definite site.

If the principle of progressive taxation be accepted for land, it must in justice be applied to all unearned incomes. It is indeed impossible in many cases to distinguish with perfect justice between unearned incomes and those which are the product of individual industry and talent, but a rough and ready discrimination is possible. Unearned incomes are already subjected to heavier taxation than those which are regarded as earned. Sir William Harcourt's death duties, although in form a tax upon capital, have probably not checked the accumulation of wealth, and they did not lead to any very considerable transfers of property during life for the purpose of evading the death duties. Men care more as a rule for the preservation of power during their life-time than for a fractional increase in the wealth of their heirs. The income tax which Mr. Gladstone wished to abolish in 1874 has not only not been abolished, but it has been greatly increased. Up to the present it is very doubtful whether the income tax has been a material cause of the export of capital from this country. If income tax could be effectively evaded by the export of capital without a change of domicile and without forgoing the use of the income, the export of capital

would no doubt become even more frequent than it is ; but it needs more than a trifling gain to induce a man to leave his native country. Men soon get used to a moderate increase in such burdens ; it would need a sudden and violent change in public policy to drive any large proportion of capital abroad that would otherwise have remained in this country. But there is a point at which such export would result from additional taxation.

It is, however, possible that the taxation of property, and especially of unearned incomes, should be carried further, and that the revenue thus obtained should be utilised to satisfy certain social needs, or even directly applied in aid of the poorer classes. But it is impossible by progressive taxation to advance very far towards the realisation of universal collective ownership. Long before this point was reached, not only would the export of capital produce a serious increase of poverty, but also the motives which at present actuate the progressive and industrious part of the community would be so profoundly modified and impaired that a disastrous loss of vigour and enterprise would be felt. This loss of enterprise and vigour would be progressive and continuous, and would vary directly in proportion to the increasing burden of taxes on property. There would also be periodic crises of depression, stagnation, and panic, which would bring home to every citizen the dangers of the policy which

was being pursued. It is even possible that the great masters of finance and credit might deliberately use the great authority possessed by them to shake or overthrow a government which threatened property. The power that such individuals possess is part of the existing order of things; they could without serious risk to themselves, but with great loss and hardship to the community, provoke a financial crisis which would be felt in every home. Their strength may be neglected by the enthusiast, but no statesman could with impunity challenge a serious conflict. But apart from such factitious crises which financiers could, if they pleased, bring about, there would be natural crises spreading destitution far and wide, and eclipsing all the prospective benefits of heroic legislation. It may be doubted whether the last crisis in the United States was natural or factitious or partly natural and partly factitious; it is, at any rate, only a mild example of the convulsions which might be occasioned by legislation. It would therefore seem impracticable by progressive taxation to influence the present distribution of property very materially within a limited time; impossible by this means to acquire for the State the ownership of all the land and capital.

The gradual extension of state-directed enterprise to the exclusion of private enterprise seems equally limited by practical difficulties. It is admitted that the State and the municipalities can with advantage

supply for the community certain services which are at present lacking. It is a matter of opinion whether such services are as a rule best supplied by State-directed or State-regulated enterprise. It is generally agreed that the supply of such services should not be made the occasion of exorbitant private profit. But if the State and the municipalities supplied by their own undertakings all the services which could not be equally well or better supplied by private enterprise, not a quarter, not an eighth of the national activity would be covered. The whole of ordinary commerce, and the chief part of ordinary industry, would be outside their scope.

It is, of course, possible to extend our conception of their scope, and imagine the State or the municipalities acquiring or constructing mills and factories, establishments for wholesale and retail trade. The acquisition of existing businesses will be considered below. But the entry of the State or the municipality into the competitive field as a producer or distributor of goods hitherto supplied by individual enterprise would dislocate and ruin, so far as it went, the existing system of individualistic industry and commerce. If narrowly limited it would be unjust to those individuals who found themselves in competition with a business supported by public funds to which they themselves contributed, and conducted without reference to ordinary calculations of profit and loss. If widely extended it would involve the

community in the herculean task of replacing at short notice the whole framework of individualistic industry and commerce as it fell in ruins.

But it may be conceded to Fabian collectivists that a part of the field can be conquered in this way without intolerable, perhaps even with beneficial, results. It is sufficient for present purposes to contend that such conquests must be in the nature of things strictly limited; and that under democratic conditions they carry with them the political disadvantages indicated in the chapter on Democracy; that is, that they create classes of voters whose interests come into conflict with those of the community as a whole.

The acquisition of properties and businesses by purchase comes next to be considered. On this subject Mr. Gladstone thought that he had said the last word when he stated the dilemma: "If you pay the full value, you profit nothing; if you do not pay the full value, it is confiscation." But the subject cannot be so speedily dismissed. There are certain kinds of property which might be purchased to-day at their full value with a practical certainty of ultimate profit. If Mr. Gladstone had purchased in 1869 at a fair valuation the whole of the urban and suburban land of the United Kingdom, his purchase would probably have shown a very good profit at the present day. The business of owning and letting land is one that can very well be managed bureau-

cratically, provided that the actual working and development of the estates be left to private competition. The speculative acquisition of land is a hazardous process for private individuals because it is always difficult and sometimes impossible to foretell how the value of any particular estate will work out in the future. But the ownership of all the land would eliminate individual variations; and the total value of all the land in the United Kingdom will in all probability progressively increase. Similarly, the acquisition of all the mines, and especially of all the coal-mines, and of all the mining rights, is an operation which could hardly fail to be successful, provided that the price were not excessive. But the acquisition of one class of property at its full value involves a recognition present and prospective of individual rights which is hardly likely to recommend it to collectivists. It also presupposes the continuation of individual competition in the payment of rents and royalties. The purchase of property at its full value is thus unlikely to find a place in the programme of any thorough-going "Socialist."

There are some other forms of property which might be purchased at their market price without hazard. It is probable, though not certain, that the railways fall within this class. It is commonly believed that, if all the railways were owned by the State, the economies resulting from the elimination of unprofitable competition would more than compen-

sate for the increased cost of working under a bureaucratic system, and for the higher rates of wages to railway employees which would probably be necessary. The inclusion among the voters of some 500,000 additional State employees is an incidental disadvantage which would probably outweigh in practice any possible profit. But from the purely economic standpoint the operation is feasible.

From time to time such properties are acquired at their full value or at an agreed value. The National Telephone Company's business has been so acquired from a future date. The London Docks have been purchased. The property of the London Waterworks Companies has been acquired for the State. The urban Electric Lighting Companies will probably be eventually bought out. This is the only form of expropriation which can be continuously pursued without danger to credit and without injustice to individuals. But it is so obvious that such a policy cannot be indefinitely, still less universally extended, that it is hardly worth while to consider it further in this essay, the object of which is to consider the possibility of acquiring for the State the ownership of all land and capital. It must suffice to say that every instance of the acquisition of private property at an agreed price, or at a fair valuation, forms a precedent against future confiscation. If one class of owners receives compensation in full, all other classes can equitably claim similar treatment. Every such

purchase is in fact an obstacle to universal expropriation, since universal expropriation cannot be carried out by purchase at market values.

The first clause of Mr. Gladstone's dilemma is not universally true ; but on the whole purchase at full values would not be feasible ; nor if feasible, profitable. The second clause names confiscation. The mere mention of confiscation seemed to Mr. Gladstone to be conclusive under this head. But we must not be terrified by words, however ugly. If A picks B's pocket that is theft. Theft is an ugly word ; but, apart from the ugly name, we have in such a case a violation of the principles which enable the world to live its life and carry on its business. Picking pockets is, according to all received canons, an act of injustice. But, if A and B are partners, either partner can at any time, subject to the deed of partnership, demand that the conditions of partnership should be modified. Either partner, in demanding more advantageous conditions, must consider the relative importance of each to the other, and he must further consider the effect on the business of the possible dissolution of partnership. He ought further to consider certain abstract principles of justice which govern the equity of the case, though they cannot be defined. He ought not to forget the services which his partner has rendered in the past. He ought not to take advantage of the fact that his partner has a wife and family to support,

while he perhaps may be a bachelor or may have other resources which place him beyond fear of want. If he has several partners to deal with, he should not unjustly discriminate between them, and deal hardly with one because he is weak, and leniently with another because he is strong. He must, if he is wise, take certain facts into consideration. He ought, if he is just, to take other facts into account. He may be forced, whether he is wise or unwise, just or unjust, to recognise certain facts which may or may not be included in those indicated above.

Now it has been pointed out in Chapter I that in every transaction the individual is in partnership with the community. The community is in every transaction, whether it recognises it or not, and whether the individual recognises it or not, the predominant partner. But the exercise of its predominant power is limited by certain conditions—of expediency, justice, and necessity.

It must, if it is wise, consider the effects on the great business of the nation of any action which it may take. It ought to consider the principles of justice. It will be obliged, sooner or later, to take into consideration the means of retaliation which individuals may have at their disposal.

Now confiscation may be and is in certain cases wise, just, and practicable. Every rate, every tax, is an act of confiscation. The paramount claim of the community on all forms of

property is recognised in every constitutional impost which we pay.

Thus the use of such terms as confiscation, robbery, theft, is beside the mark. The propositions to which such terms are applied may be unwise, unjust, or impracticable, or they may deserve two or three of such attributes. But they are not effectively condemned by the use of ugly words. Terms of abuse can be used on either side. Proudhon said that property was theft. By that saying he did not prove anything ; nor did Mr. Gladstone by his words about confiscation.

Confiscation is the right word at this point of the argument ; but it must be used without any opprobrious signification.

The State might, by a legislative act, acquire any particular property, or all properties, at a price less than market value, or without payment of any price. The acquisition of any particular class of property without price or below market price, because it was specially helpless against legislation, or because it could be more easily managed by the State than other classes of property, would be conspicuously unjust. It would probably be unwise, because it would, if suddenly initiated, induce a general sense of insecurity among property owners, which would naturally lead to a financial panic of a kind which we have not hitherto, either in 1866 or in 1825, or on any black day, experienced. Apart from any such

crisis, the feeling that property was liable to confiscation would induce depression and mistrust among all property owners, which in its turn would lead to sluggishness of trade, industry, and enterprise. It would weaken the existing springs of action, without supplying any fresh motives. It would very likely be impracticable because of the means of retaliation which would still lie in the hands of the property owners. Passive resistance in respect of payment of direct taxes, if at all widely spread, would leave the State helpless. Such passive resistance might conceivably bring State insolvency within sight, in which case the resulting financial crisis might resemble a universal dissolution of society. A minor measure of confiscation, which did not touch State credit, would leave the Bank of England intact. But if the power of the State to support the Bank of England became doubtful, the whole fabric of our industrial and commercial edifice would fall about our ears. Again, the strike has been used as a political expedient in some countries; it is not inconceivable that the lock-out should be similarly used, if the provocation were extreme.

Any programme of gradual confiscation would lead to a protracted civil war; not perhaps to a war conducted with fire and sword, but to a war waged to the uttermost with all resources marshalled on one side and the other. If confiscation were open, extensive, and flagrant, the war would be corre-

spondingly acute; if it were subtle and insidious, the war would be smouldering, sullen, and prolonged. In any case the credit of the community would be profoundly affected so long as the struggle lasted.

We talk easily about credit as inflated or contracted, confident or depressed; we recognise and enumerate the symptoms, the historical and the material causes, of each fluctuation. But when we have set down all the material causes, there remains a less obvious psychological element, which is the most important of all. This is clearly seen on the Stock Exchange, where prices are apt to be buoyant on a fine day, depressed on a rainy day. Psychological changes are probably the chief factor in producing those cycles of commercial and industrial activity which follow the regular course of depression, activity, inflation, collapse, and then repeat the round. After a period of dulness and inertia hope springs in some minds, activity follows, hope and activity are materially and psychologically contagious, activity becomes universal, excitement leads in some quarters to loss of control, some material shock precipitates collapse, collapse is materially and mentally contagious; when the crisis has run its course, the depression which follows is as much the result of moral exhaustion and discouragement as of depleted material resources. External circumstances affect the psychological changes; a period of falling prices is depressing, rising prices

are stimulating; a dose of gold acts like a tonic or a cordial; political excitement diverts a part of the necessary energy; political uncertainty or danger lowers the spirits and damps the courage. Moods of hope succeed to depression; but there are sometimes long periods, as from 1874 to 1887, when tone is never completely restored, and others, as from 1887 to 1908, when tone is never completely lost. Such variations of mood, such protracted mental states, are not to be fully explained by facts connected with the accumulation, the setting free, the consumption, the depletion of capital; they are largely indications of changes in the psychological condition of the community.

Now these psychological changes take place chiefly in the minds of financiers, and masters of commerce and industry; and public policy must avoid, so far as possible, doing anything to depress their energy and to diminish their hope. For the effects of any such depression are most keenly felt by the working-classes. It takes all the energy and hope of the entire community to keep our ill-constructed economic machine in something like full work; as soon as vigour is relaxed, hope dimmed, the results are seen in the increasing numbers of the unemployed, in falling wages, in industrial disputes, in short hours, and contracted operations. The continuous pursuit of a policy which would depress and discourage the capitalist class during all the process of transition

could not fail to react on the psychological condition of the community; the consequences would be most keenly felt in those working classes whom those measures were intended to benefit. They would feel the immediate stress; the promised boons would be delayed; political reaction would surely follow. All these schemes for gradual or universal confiscation neglect the all-important factor of credit. Credit is under existing circumstances the vital principle in our commercial and industrial community. We have forgotten the great nerve-storm of 1866, which was nothing to the financial panics that are possible. And there are few who realise how the vitality of the whole nation can be raised or depressed by hopes or apprehensions. But the consideration of the phenomena of credit seem to warrant us in pronouncing any scheme of gradual confiscation leading up to universal confiscation to be not only unjust, and unwise, but politically and economically impracticable. Minor acts of confiscation are of course possible, and the shocks they might produce would be limited and local; but such sporadic and spasmodic acts would produce the least possible results at the cost of the most flagrant injustice.

Now it may be said, and no doubt it often is tacitly assumed, that the whole results of our existing social arrangements are so unjust that we need not consider justice in our schemes for reform. The injustice is admitted; but there is all the difference

between injustice that is accidental, the product of inevitable and uncontrollable actions and interactions, and injustice that is deliberate. The one we may deplore, the other we must condemn. Nature herself is unjust in human eyes. It does not seem equitable that one man should be vigorous, healthy, competent, even-tempered, cheerful, and popular, another listless, unhealthy, inefficient, discontented, querulous, and unlovable. The removal of all social injustice would not affect the uneven distribution of personal qualities. Ordinary social injustice resembles the injustice of nature; we may be anxious to redress it, if we can, but it demands no moral reprobation. But injustice that is deliberately wrought by legislative or personal action cannot be excused by the example of injustice that is the result of natural causes or of unpremeditated social effects. To seek to remove unpremeditated inequities by deliberate injustice is to endeavour to remedy an error by a crime. But questions of justice and injustice can be tried by no absolute standard; it must be sufficient if we lay it down that all legislative and corrective acts of the State must aim at justice as determined by the moral sense of the community.

Again, the wisdom or unwisdom of certain measures is largely a matter of opinion. We may show cause for believing that certain action will produce prejudicial results; experience alone can show whether our reasoning is correct. But it is

possible to put forward something like conclusive proof that collective ownership of all the machinery of industry, transport, and commerce cannot be obtained by a process of gradual confiscation because gradual confiscation must destroy the framework of our society before the system which is to take its place has been erected or conceived; because it must paralyse existing motives before others have come into operation; because it would override existing habits and customs and arouse inexorable antagonisms; because it must impair credit, which is the vital spirit of the industrial community. It is much to be regretted that some of the most ardent of social reformers should prejudice immediate measures of reform, which may be practicable, just, and wise, by representing them as a part of a scheme for ultimate and universal confiscation.

If gradual confiscation is unjust, unwise, and impracticable, it may be urged that universal confiscation would at least not be unjust. This is to mistake equality for justice; inasmuch as the existing distribution of wealth is the result of an infinity of contracts, actual and implied, between the community and individuals, and between individuals. Universal confiscation would be unjust, as setting aside the conditions on which all men had worked up to that time. But universal confiscation would at least afford equal treatment to all classes of property-owners; the small shop-keeper, the great

land-owner, and the great financier, would all alike be compelled to surrender their plant and their savings. We need not be troubled with the precise delimitation of private and public property which would have to follow an act of universal confiscation. Many difficult problems would arise. If private ownership, *e.g.*, in a street coffee-barrow, were allowed, a small rift would be opened for the restoration of the capitalist system; if such relics of private enterprise were discountenanced the community would have to do without many of its minor comforts. But these difficulties would only arise after the act of confiscation had been accomplished. Such confiscation might in theory come about, either by a legislative act, or by a *coup d'état*, or by a revolutionary rising.

We have already seen that a serious revolutionary upheaval resulting in the suspension of law and order would in a modern community almost certainly produce results intolerable to the mass of the population, who would thus be disgusted with reform before the reformers had had time to work out any part of their plans. Moreover, the reorganisation of society from roof to cellar is a task for which peace and leisure would seem to be requisite. Some remarkable legislation was achieved amid the disquiet of the first French Revolution, but it has already been pointed out that this legislation, however notable, involved no material change in the industrial

and commercial organism. There is much truth in the contention of those who believe that the complete reconstruction of society on a collectivist basis cannot be achieved, unless by a bloody revolution. But the reconstruction would need to be so elaborate, the adjustments and compensations so delicate, the detail is so intricate and multifarious, that, if collective ownership can only come by violent revolution, we may safely say that it cannot come at all. Revolutions are more powerful to destroy than to construct. Surgical operations require that the patient should be motionless under the knife, and they are not thought to be successful unless the patient survives and recovers strength. Had Guy Fawkes succeeded in his enterprise, Parliament would have been destroyed, but not reformed.

It is theoretically more possible to conceive the confiscation of all "capital" by a single legislative act. Suppose all constitutional checks to be removed, all legislative authority to rest with a single legislative chamber, and that chamber to contain a resolute body of leaders and an irresistible majority determined to establish collective ownership, then a law might be passed that all land, minerals, machinery, plant, buildings, stock, institutions, firms, undertakings, should thenceforward belong to the State. It would be expedient that such a law should be passed without deliberation, in fact, without discussion, for otherwise the interval between the announcement of the

intention and its execution would be difficult to bridge. So long as uncertainty prevailed, industrial and commercial life would be paralysed, and millions would be out of work. Simultaneously with the act establishing collective ownership, a central authority with unlimited powers would require to be set up to deal with the administrative execution of the new law. The army and the navy and the police would have to be at the disposal of this board, the law courts would have to be suspended, and the board would require discretionary powers of life and death. If any legal limitations were imposed upon them, their task would become impossible. If any deliberative assembly were allowed to canvass their proceedings, if free speech or public meeting were tolerated, disastrous delays, disastrous resistance would result. They would require a hundred times the autocratic authority ever wielded by a Caesar, a Napoleon, or a Russian Tsar. Given that, they might perhaps set the machine going once more before starvation had goaded the population to fury. But nothing less would suffice. In every town, in every village, they would need agents, whose instructions could only be general, who would require to be vested with almost unlimited discretionary power within the area assigned to them. What man, what body of men, could deserve to be entrusted with such functions, what population not accustomed to slavery would endure such a tyranny, what assembly would create such a

despotism? Nor could such a reign of terror be merely temporary. The rule of force would need to be prolonged until the population had become used to the new conditions. And then the tyrants could not afford to vacate their throne; the cessation of their rule would be the signal for their death. Yet by no process less drastic could universal collective ownership be established in legal fashion.

It is more plausible to conceive a similar *régime* to be established by a *coup d'état*. But the difficulties of an illegal tyranny would be much greater than those of a despotic board established by lawful authority. The army and the navy and the police would have to be won over. Every lawful institution would resist, and be entitled to resist. The judges, the magistrates, the civil service, would all need to be dealt with by separate and effective measures of coercion. In a law-abiding people the absence of legal sanction for the proceedings of the self-constituted tyranny would be a serious impediment at every step. The hypothesis of a *coup d'état* diminishes the difficulties preliminary to the establishment of the executive authority needed for the working out of the principle of collective ownership, but it increases all the subsequent difficulties by the moral justification it would afford for every species of resistance, passive and active.

It would thus appear that universal collective acquisition of all the instruments of production,

transport, and exchange, is not a practicable proposition. But it may be suggested that by a combination of several methods of advance the whole ground can eventually be conquered. By progressive taxation of incomes and property, by increased death duties, by purchase, by partial confiscation, by a steady extension of the functions of central and local authorities, the field of collective activity can be constantly increased, and the limits of individualistic enterprise steadily restricted, until the time comes when the remains of the half-eaten cherry can be taken at a gulp. But the success of such a policy depends upon a number of assumptions. We must assume that the existing system of credit can be maintained undamaged, until some collectivist substitute can be provided. We must assume that individualistic activities will continue unimpaired, while collectivist agencies are growing up to take their place. We must assume that the whole machine will continue to run without serious impediment while each part of its delicate construction is being successively overhauled and remodelled, and while its whole motive power is being radically changed. We cannot put up on the face of the State a notice indicating that it is "closed for alterations and repairs." Our motto must be: "Business carried on as usual during reconstruction." No part of the machine can be allowed to go out of action even for a short time. Every change will

produce individual hardship; every modification will necessitate a shifting of labour; the more rapidly we proceed the greater discontent we shall cause; if we compromise with individual interests, if we endeavour to remedy individual grievances, we shall surrender with one hand the advantages we have acquired for the community with the other; if we are resolute and ruthless, we shall incur implacable enmities which will eventually work our destruction. Why represent necessary and practicable social reforms as part of a scheme which, if hurried, must be disastrous; and, if carried out with due deliberation, must take many generations to accomplish?

CHAPTER IX

DEMOCRATIC COLLECTIVISM

SOCIALISM implies government ; the more highly socialised a State, the more it will require to be governed. Assuming the collectivist State to have been established, what form must its government take ? Is it to be centralised or decentralised ? If decentralised, is the principle of subdivision to be by occupations or localities or both ? Is it to be autocratic, aristocratic, bureaucratic, or democratic ?

Autocratic it may be ; the most likely way to collectivism is by some abortive revolution that will put all power into the hands of an autocrat, or a succession of autocrats, who will gradually mould the social fabric to their irresistible will. But autocracy is the child of inscrutable fate ; its advent is incalculable, the hour of its coming unforeseen ; it springs from the unendurable to silence clamour, to beat down faction, to compel industry, to impose peace, to repress havoc and waste ; when the passions of men have burnt themselves out, when their wounds are aching, their hopes dead, their rancour weary, then the

autocrat comes, and in pure lassitude and desperation men commit their fortunes and their lives to his untender keeping. Political theory cannot take count of him ; there is no constitutional recipe for his selection, his training, or his establishment ; if he comes, none can gainsay him ; if he comes not, we may long for him in vain.

Aristocratic it should be ; the aristocracy of birth and breeding it may ignore, but the aristocracy of merit it must recognise ; collectivism, above all forms of government, will require strong, courageous, wise, just, far-seeing, broad-minded rulers.

Bureaucratic it probably will be ; the infinite technicalities of government, the infinite complexities of modern life, will demand an army of trained experts to work out the laws, to elaborate the regulations, to administer the edicts, whether of an autocracy or a democracy.

Can collectivism be democratic? Democracy can be socialistic ; it is socialistic, it will be socialistic ; but how far can it carry its socialism? Can a thorough-going system of collective ownership be founded on democracy? If it can be founded on democracy, can it be worked out in all its departments and branches by methods of debate, election, and voting?

If collectivism cannot be attained or maintained by democratic methods, then its votaries are deceived. For the sentiment that idealises democracy, and the sentiment that idealises the purely socialistic State, are

very closely allied. The amiable and philanthropic gentleman, who can afford to be amiable and philanthropic because he is also rich, believes in democracy for its own sake; the horse-sense of the common man needs in his opinion only a little enlightenment by superior people to become political wisdom; he believes not only that everyone is wiser than anyone, but that the majority is wiser than the minority; in spite of his superior position, superior talents, superior education, he sees no danger in the assumption that all men are equal, or at least of equal importance; if the noble sentiments with which his bosom swells yield in temporary popularity to some passing and irrational emotion, he sighs, but thinks no worse of democracy; if some more congenial wave of feeling invests his noble sentiments with popularity, he feels as if God had smiled approval. But his aim is to elevate the masses; he feels certain that the masses must want to be elevated, and therefore he regards democracy as an ally; somewhat capricious and at times exacting sacrifices of principle, but still attached to him by the most permanent of ties, the tie of enlightened self-interest. Nowadays he will be a "Socialist," though he may not use that name; but he relies upon the democracy to further his idealistic aims. If democracy is incapable of realising his ideals then is he of all men most unfortunate, for he has staked all upon this issue. He might have done much for the people by virtue of his birth, wealth, talents, educa-

tion, and training ; all this he has voluntarily resigned for the ideal of democracy. That things should be done for the people does not satisfy him ; it is part of his creed that what is done should be done by the people.

The bureaucratic collectivist cherishes no rosy illusions about democracy ; he may believe that education will in the future do what it has not done in the past, that is, raise the general level of wisdom ; but he takes democracy as he finds it, and makes it a useful instrument to assist his purposes ; he believes in government by experts, but he is careful not to say too much about that ; he is industrious, pertinacious, learned, studious, public-spirited, incorruptible ; he gives up Parliament with a sigh, not because it is democratic or undemocratic, but because it is un-businesslike ; he works his way into County Councils, Borough Councils, Urban District Councils, Boards of Guardians, and Public Departments of State ; everywhere he extends his influence, and everywhere he extends his power, because he knows what he wants done next, and knows how it can be done. He also wants to elevate the masses, but does not believe that they have any strong desire to be elevated ; he is determined to elevate them whether they want it or no ; and so far democracy has helped him, almost without its knowledge. How far can this be pushed ? Far, I think, but not to the point of universal collectivism. But the bureaucratic

collectivist also relies on the aid or acquiescence of the democracy.

The labour leaders fall into two classes; the opportunists and the enthusiasts, the latter potential revolutionaries. They are class advocates, full of class-consciousness. They do not hold it to be their business in the existing conditions of society to consider first and foremost the interests of the State as a whole. They are thorough-going "Socialists" by profession; the principles of universal collectivism are planks of their platform. They can be under few illusions as to democracy; they cannot believe in the virtue of the free, equal, and untrammelled vote; they are accustomed to get their way by organisation, and all that organisation implies; they have fought their way to the top amid semi-political struggles more fierce and more uncompromising than the political struggles of St. Stephens; they know that men are led not by reason or even by self-interest but by will-power and determination; their ideal of democracy is a drilled and organised proletariat using the vote to get material advantages for their class; they are out to get all for their class if they can; if not all, to get whatever is possible. They rely upon democracy, for the vote of their followers is their most powerful weapon; but their democracy would be like that of an army; every man would carry a musket but he would only fire according to the word of command.

Cromwell's soldiers ruled England, but Cromwell ruled his soldiers. The power of such leaders is precarious; one mistake, and their influence is gone; new leaders are constantly struggling to undermine their ascendancy. Success makes them cautious; experience inclines them to compromise; but their followers at times repudiate caution, and regard compromise as treachery. It is their task to foster class-solidarity; their worst enemy is class-jealousy. "Bill is our mate; why should he call himself a leader, and go to Parliament at our expense?" For them democracy is a stubborn horse to ride; yet they also must rely upon democracy, since the vote of organised labour is the source of their strength. By the votes of the people they promise to establish the collectivist State; do they hope that when established it can be governed by democratic methods?

Modern democracy is the product of many great disillusionments; men crave to be governed, and they are eager to believe that those who have the right to govern them are better and wiser than themselves; under a theocracy, the priests and the prophets profess to take their instructions direct from the Almighty; but we no longer believe in the direct inspiration or inherent sanctity of the priestly caste. In less critical ages than the present, kings, holding their title direct from God, were invested in the eyes of their subjects with supernatural awe, majesty, and wisdom. We no longer believe in the divine right

of kings; we have learnt the pitiful lesson that kings are but men; those of us who have read history aright know that a good king is a more precious gift from destiny than the wisest of statesmen holding power by precarious tenure; but we know also that goodness in kings is accidental and not essential, and we acquiesce in the diminution of the attributes of monarchy. We had in this country a great, proud, and prudent aristocracy of birth, broadening out by imperceptible gradations into a gentry with high traditions of culture, integrity, and public spirit. But social changes took place; the landed nobility and gentry were confronted with men who represented the most active and industrious part of the community; from all this work of industry and commerce the old gentry were apt to stand apart; many of them lost their ancestral holdings, others drifted into the position of mine-owners and ground landlords, drawing royalties and rent without responsibility or initiative: then with the advent of the joint stock company the commercial and industrial classes lost their firm hold upon leadership in business; many of them gave up affairs to live easy and luxurious lives. There is no longer a distinctive upper class; there are rich classes and there are educated classes; but there is no longer a class that claims public service and responsibility as its right, a class that claims in the sight of men its prerogative to influence and lead those below it.

Party spirit completed the disintegration; the upper classes took the people into partnership to further party ends; they no longer claim power as of right; they seek it as a boon, and they pay for it by flattery and by bribes. The rich classes still rule by virtue of their wealth and opportunities; but they do not rule by right, for they do not believe in their heritage of leadership. This was the last disillusionment; priests, kings, nobility, and gentry, have lost the faith of their people; they have lost faith in themselves. There remains but wealth and the people. By these two we are ruled, by them we must be ruled; unless perchance there is a life and death struggle between them.

Can we hope then, in the new conditions, to be ruled by those who are wiser and better than ourselves? Virtue and wisdom do not go with riches. I have nothing to say against the rich; they are as good but not better than the poor. Those of them who inherited their wealth did not ask for power; most of them hardly know that they possess it; they were not taught that it was given them as a trust to create beautiful lives, to spread wise and propitious influence, to follow virtue, knowledge, and wisdom. Those of them who have amassed their own fortunes did not do so for public ends; wealth came to them as a bye-product in the struggle for life and mastery, as the stamp of success in bargaining, organising, making,

and breaking. Still less are they (as a class) likely to understand the power that is put into their hand for rendering some corner of the world more beautiful and prosperous; for influencing great sections of their fellow-citizens to a broad and wise conception of public policy. To be ruled by wealth is not to be ruled by wisdom nor by exceptional virtue. No one thinks so; the rich do not think so themselves. Yet the rich have great power not only by their wealth but by their prestige; they have only to recognise it and to use it and to make themselves worthy of it.

Wealth is at present far more powerful than democracy; for democracy only touches politics, and politics are at present but one-tenth of life. And even in politics wealth and position still count for much. But in politics we profess to be ruled by the people, the great, dumb, ignorant, emotional people. The Liberal party is by profession and tradition the democratic party, but the Conservatives cannot, even if they wish, be behind-hand in professions of democratic conviction. The people is master, if it can be persuaded to say the word of command. But there can be no illusion here; at least there should be no illusion; the people is not wiser and better than we are, for we are the people. We have found out the kings, the priests, the nobles, the commercial magnates; they are men, and we refuse to admit their superior qualifications to

exercise political power; some idealists have not yet found out that the voters are also men; they have no prerogative of wisdom or sanity or virtue; the majority is quite as likely to be in error as the minority; it rules not in virtue of its wisdom but of its strength. Government has always been founded on the acquiescence of the people; we now ask the people for definite instructions; it is a matter of immense labour to extract any instructions, and to interpret them when given. But that is where we are, and there we must remain. Democracy may not be an ideal but it is a necessity.

A favourite catch-word of the day is “trust the people.” Trust the voters to decide rightly in such issues as are submitted to them; trust them to choose wise rulers of the right political complexion; and, as a corollary, trust the elected of the people. Is there anything in this current phrase beyond political cant? It is of course necessary to trust the people; the only alternative is to take away its power, and no one is prepared to do this or to attempt it; and no one has any substitute for democracy that could be put forward by arms or otherwise with any prospect of success. Has the people any political wisdom, and, if so, what are its characteristics? Now it is plain, in the first place, that it would be absurd to trust the people to understand the intricacies of any particular political problem, such as the taxation of land, or the details

of an education bill, or the advantages and disadvantages of a protective tariff with colonial preference. It can only declare its will in the matter, and its will must be fashioned by pre-possessions, sympathies, fears, hopes, and above all by the influence of those who have its confidence. But, with rare exceptions, the like will be the case with a minister. Let us take a purely hypothetical case. A minister in a military state, alarmed by the advance of mechanical transport, foresees the time not far distant when the supply of horses will be insufficient for the mobilisation of his army. He determines to place a repressive tax on motors of all kinds. Now there is much to be said for and against motor-cars, quite apart from the need of horses for the army. A right decision on such a question does not depend upon reasoning, or upon knowledge, or upon absence of prejudice; putting pure luck aside, it depends upon that rare and superlative quality of judgment, which consists in the capacity to estimate by an instinctive process the relative importance of different considerations. There may be one pro and fifty cons; the one pro may outweigh all the cons. Knowledge and reasoning will not help our minister unless he possesses this instinctive judgment. But he may arrive at the right decision by the wrong road. The minister may be a great horse-breeder himself; he may think that motor-cars are unpopular with the mass

of the voters ; he may dislike the smell, the noise, the appearance of motor-cars. His decision may be influenced by these irrelevant prepossessions ; but it may nevertheless be right, and be proved to be right within a few years by success in a war in which the superiority of his country should result from more abundant horse-transport. The minister must know more about the question than the people could know, but greater knowledge does not make him right, it will hardly help to make him right ; in order to defend his measure in Parliament he must be able to beat up some good arguments, but they need not be the best ; party discipline will help him through. When it comes to drafting the details of his bill, he will have to rely largely on experts to frame the provisions so as to secure the greatest possible advantages, and to minimise the disadvantages. So with the people. When a question is put before it, it decides it under the influence of all sorts of motives, good, bad, and indifferent ; its decision has as good a chance of being right as the decision of an individual affected by similar influences, unless he happens to possess supreme political wisdom. When it has declared its will, the method of execution must be left to its leaders, and their expert advisers.

Can a people have innate political wisdom ? This is a very attractive belief, and one that history seems to support. One can clothe the belief in a mystical form, and believe that the people

has a personality, a collective entity, different from the sum of its units, and their interacting, interpenetrating common beliefs. Or one can analyse the net result of individual impulses and interactions, and attribute any persistent national characteristics to wise traditions, well maintained, to dominant ideas and teaching, infiltrating through the mass, to the effect of happy example and the fruits of wise leadership. But if any people may claim the inheritance of political wisdom as shown and acquired in the school of self-government, it is the British people, with its history not only at home behind the sheltering seas, but in great continents beyond the oceans, where its citizens have struggled unaided by kings and bureaucrats with wild nature and wild men, and erected by spontaneous effort self-governing communities of which our nation is justly proud. But it is not wise to try its political wisdom too high ; the self-interest of individuals or groups may warp it, bad education may obscure it, indifference may paralyse it, social disintegration may destroy it. We may trust it and rest our hopes upon it, but we must lose no chance of maintaining, strengthening, and illuminating it. In the past, if the multitude were foolish, their rulers could correct their folly ; nowadays, if they go a whoring after false gods, their leaders must follow, or new leaders will be found. If a golden calf be demanded, some Jeroboam will be found to erect it.

The political wisdom of the people is shown above all in its choice of wise and upright leaders. In its judgment of measures and policies, it may be deceived, any of us may be deceived ; all of us, or at least the majority, may well be deceived. But in its judgment of men the people will be assisted by its mystical sympathy, its native intuition of honesty, conviction, and character. If these do not fail us, herein lies the great promise of democracy. But here also lies a danger. There are men, strong, decisive, upright, well-informed, who have the gift of leading and inspiring multitudes ; they may be wrong-headed and dangerous counsellors. On the other hand the noblest and wisest minds may lack the gift of sympathetic and compelling leadership. Kings have been ruined by their courtiers ; the people may be ruined by its most inspiring, devoted, and gifted friends. All the more need that those who have education, tradition, position, prestige, should take their part in framing and influencing the decisions of the community. A great danger of the present democratic position is that many of those best qualified to influence the democracy have never acquired influence and often have not tried to acquire it. If unwise counsels are followed, it is largely the fault of the wise who have not used the influence they ought to possess.

Perhaps the worst present feature in democracy is the power of unauthorised clamour. If the people is

united and determined, we may think its decision dangerous and mistaken, but we must bow to its right of command. But it often happens that a wise and just proposal on its promulgation is greeted by an uproar, proceeding from a few noisy persons, or a few notorious papers. The supporters of the proposal are less eager and communicative; and it may often happen that the irresponsible chatter of a few will be taken as the voice of public opinion. Those who shout the loudest attract the most attention; it does not follow that they are the majority; we must bow to majorities, even if they be wrong; but vociferous minorities have too much power; especially too much power of veto.

One thing can be predicated of the British people—that it is intensely conservative. It views with suspicion and dislike all propositions that conflict with its habits and its fixed ideas. By this I do not, of course, mean that it is more likely to support the Conservative Party than the Liberal Party; indeed, I do not know which party is the more conservative; but that change, if it is to receive popular support, will have to proceed on recognised lines and by gradual transitions. Any radical change would be resented, if not when first mooted, at any rate when its consequences were felt.

Now, let us turn to the main problem of this chapter; can the thorough-going collectivist State be maintained by democratic methods? I waive the

question whether it can be established by democratic or any methods; I assume that it has been established, and it seems desirable that it should be democratic: first, because in these days there is no source of legitimate power except in the will of the people and the institutions which the people has established or allowed to be set up; secondly, because we do not wish to hand over the fortunes of the community to irresponsible tyrants; thirdly, because something more than acquiescence will be needed to make such a State a success; good will must be present in the majority, if not in all, and men bear more easily burdens self-imposed than those that, though lighter, are adjusted without their consent.

In the collectivist State all capitalised wealth will belong to the community; all organisation will rest with the government; the revenue will be apportioned among the citizens according to those principles that find favour in the eye of the governing authority; whether a money system is adopted, or a system of allowances in kind, is a matter of minor consequence; equality or inequality of remuneration is a detail; and we need not pause to discuss the casuistical questions which will arise when we endeavour to separate income from capital, private from common property. How can democracy deal with the problems that will arise? Those problems will be, like our problems of

to-day, problems of organisation, training, production (including transport and house-service), foreign trade, and distribution.

Now it seems clear that direct democracy will be useless. No productive unit was ever managed by the votes of its members, though some may be thus controlled; men vote as individuals, and in any productive body there is an initial opposition between the body and its members; the interest of the collective body is to produce as much as is possible and of the best quality; while the interest of each member is to take things easily. The voters will think of their own convenience when voting, and not of the productive efficiency of the collective body. Their collective interests will run counter to their individual interests, and, in voting, the individual interests will as a rule prevail. This difficulty is fundamental in democracy and will hamper democratic collectivism at every turn, but direct democracy, at any rate, is incompatible with collectivism. Moreover the mere waste of time in discussing and debating as to rules, infractions of rules, and the interpretation of rules, would leave no time for work. I believe that some of the experimental communistic societies that have been started from time to time have attempted to govern themselves by debate and voting; but in the first place none of these communities was really self-supporting and self-sufficing; it would have at least to purchase its tools and

machinery from outside, and probably many things beside ; the problem of organisation was therefore restricted ; in the second place, none of these communistic societies has achieved even moderate success and permanency. The Cooperative Wholesale Society with its manufacturing branches is not governed by the votes of its workmen, but by the votes of its consumers, and that indirectly—a very different thing.

Such democracy as is compatible with tolerable efficiency must be indirect, representative, democracy with a strong bureaucratic element. Authorities must be set up to make laws, to enforce them, and administer them ; democracy cannot go beyond choosing its law-makers, and electing its authorities. Can it go so far as this ? The rules required will be of the utmost complexity ; in every trade the most complicated decisions as to distribution of tasks and reckoning of output will be necessary ; further, every trade will have to be brought into line with other trades on equitable principles ; no elective and popular assembly or system of assemblies can deal within a lifetime or two with all the mass of regulations that will be required. The making of laws and regulations will have to be the work of experts ; democracy cannot go beyond controlling the experts by general directions and criticising the result of their labours. If their work is too much interrupted by the necessity of replying to criticisms, the legisla-

tors will abandon the hopeless task in disgust. If they are made too irresponsible, injustice and arbitrary inequity will result. Nor can the administrative authorities be directly elected. They must be carefully selected for knowledge and administrative skill, not for the qualities that tell in popular elections. They must receive their authority from above, not from below; their power must be supported from outside. If the manager of a mine or factory were elected by the workers, goodbye to all discipline, policy, and energy. And it will be remembered that a collectivist community must be directly interested in the output of labour; the democracy cannot afford to let the standard of production down or it will soon find itself on short rations.

The only form of democratic collectivism compatible with tolerable well-being will be a highly centralised democracy with a Parliament, and a powerful ministry responsible to Parliament but possessing wide discretion of administration and initiative. The questions that are reserved to the central legislative and administrative authorities must include wages of labour, hours of labour, justice, education and industrial training, police, industrial coercion, and all the administrative services connected with these. Every one of these subjects will be highly intricate. Wages of labour: if all labour is to be equally paid, many services will be unremunerative according to present standards of value, in particular

the services of agriculture and fishing, both necessary not only for the sustentation of the community, but for the provision of indispensable elements in its manhood; if labour is not to be equally paid, an infinite number of schedules will have to be prepared; every schedule will have to be drawn up by men conversant with all the technicalities and varieties of each industry; every schedule will have to be compared with every other, and some sort of equitable relation established; and then calculations will have to be set up to make sure that the community can afford to pay these rates of wages. And this involves the fixing of values. If wages are paid in money, and differ according to the grade of labour, goods of different qualities will sort themselves; but if wages are paid in kind, who is to have, I will not say the champagne and oysters, but the best cuts of beef and mutton? When hours of labour come under consideration, some rough and ready rule may be adopted, such as the eight hours day; but will not the miner grumble if his strenuous and comfortless eight hours are equated to those of a messenger who spends a large part of his time waiting for orders? And how can an eight hours day be adapted, say, to the fishing industry? If anything resembling justice is to be preserved, a schedule of hours will have to be set up corresponding to the greater or less stress of the various occupations. Education and industrial training present, not less difficulties perhaps, but difficulties

with which we are more familiar, difficulties which have baffled experts, and will continue to baffle experts for many generations to come. Yet on their solution will depend the welfare of the community far more than at present, when individual initiative does something, though not enough, to make good the blunders of the community. And in the collectivist State the department of training and education will have attached to it the invidious task of apportioning the maturing youth of the country to the various occupations, trades, and industries. Here will be plentiful opportunity for favouritism and jobbery. And when all the desirable trades have been filled with the sons and the friends of the officials, who will be apprenticed to the merchant service, or the fishing fleet? Will the fishermen and some other trades form an hereditary caste, bound from birth to follow an occupation full of hardship and danger, which would never be filled by volunteers having the chance of some less strenuous, dangerous, and unkindly calling?

Police is a problem which we have solved on socialistic principles; it would not in itself present any greater difficulties in the collectivist State than it does now; but attached to it would be the whole problem of industrial coercion. Nowadays this is a hard-working world, with some noteworthy exceptions. Some men work hard from ambition or for wealth; others from habit or from character; but by far the

greatest part work hard because they fear to lose their livelihood. In the collectivist State we should have to devise a system of pains and penalties for keeping all workers up to the mark, unless we are prepared to live on short commons, in discomfort, squalor, and filth. The stimulus of want and fear of want is irregular and arbitrary ; want falls sometimes upon the industrious and the frugal, as well as upon the spendthrift and the idler ; but the fear of want is a perpetual spur to industry and a regular life. In the collectivist State some other equally penetrating goad will have to be devised. Will democracy, however organised, ever harden its heart to make the coercion adequately severe ? If it does, what means can it devise to make its application just and equitable ? The necessary system of taskmasters with extensive disciplinary powers, appointed from above and supported from without by force, opens the widest door to tyranny on the one hand, and disastrous relaxation of discipline and waste of wealth on the other. I have said nothing above about the service of justice, but it is obvious that, unless all men are delivered up to the mercies of irresponsible officials, the functions and activities of courts of law will have to be very widely extended ; and if they are extended as far as possible there will be many cases of unjust oppression, and of cunning evasion of duty, which will escape detection and punishment.

All these services, with their attendant machinery

of skilled directors and governors, skilled supervisors, judges, arbitrators, foremen, clerks, and task-watchers, will have to be under the control of the central government and staffed by their appointment. If the officers are appointed strictly for merit, and duly supported in the exercise of their authority, they may be efficient. But if jobbery creeps in, or the central government is weak, indiscipline and tyranny will go hand in hand. And how can jobbery be avoided when government appointments are made, not by tens of thousands as at present, but by hundreds of thousands, when the natural selection of industrial competition has ceased, and every appointment must be more or less an arbitrary act? Yet no deliberative assembly, however organised, could discuss with adequate knowledge all the necessary rules and regulations, or control the myriad agents of the executive. The ministers themselves, occupied with the countless cares of defending their own responsibility, would have to leave much to their subordinates, and minor officials would have much discretion and great powers. Local elective authorities might have some limited power of supervising the local execution of the functions of the central government. But no trade, however large and powerful, could be allowed any great latitude of self-government. It would be too plain that every trade had an interest in keeping its own standard of production low, and its standard of

consumption high. The more powerful the trade the more necessary to break it up and forbid it to use its combined force to exact preferential terms from the community. The central government would in like manner be jealous of the local authorities, for the interest of any local authority would be not in production but in consumption ; the central authority alone could be relied upon to keep the general interests in view.

The position of the delegates to the central Parliament would not be enviable; if bad butter or other unwholesome food were supplied, they would be called to account by their constituents; if they got access to the responsible minister, they would soon be involved in an official fog of detail and distributed responsibility, that would prevent them from tracking the abuse to its source. If some miscalculation took place, and the supply of some necessary of life ran short, the community would fall upon the ministers, and hunt them back to the obscurity from which they came. There would be a change of masters, but the system could not be changed.

The direction of foreign trade would be very difficult; in this country especially, food and many raw materials could only be obtained in sufficient quantities by purchase from abroad; miscalculation as to quantities would be disastrous, and there could be no accurate standard of values for international exchange. The minister in charge would be con-

stantly open to damaging criticism, which he could never conclusively rebut.

In short, there would always be warfare between the regulative, coercive, and executive officials on the one hand, and the individual citizens on the other; the elected representatives would be between the hammer and the anvil; if democracy prevailed for a time, efficiency would diminish, and the community would feel a loss of comfort; if the executive grew stronger, coercion would be tightened up, and men would have to pay for improved conditions of life in a more tyrannical, arbitrary, and autocratic supervision. Those who had power would suffer from suspicion, ignorant criticism, and unpopularity; those who had no power would gain no advantage by their freedom of speech, even if it proved possible to allow any freedom of press or public meeting. In short the actual difficulties of efficient government would be so great, that democracy would have to give way; and power would fall by degrees into the hands of those who were strong enough to acquire it by whatever means, and maintain it by whatever devices. In the long run, it is not likely that efficiency would be as great as it is even now; justice would not be greater; and liberty of every kind would disappear. Nowadays social inefficiency, waste, and disorder appear inevitable; then every social abuse would be chargeable to the public authority.

The fact is that efficiency has never been a mark of democratic governments. An efficient government must be run on autocratic lines. If a democracy can establish, or if it has received by the gift of time, an efficient organisation, with a properly constituted, selected, trained, and qualified hierarchy of officials, who know what they have to do and how to do it, the control, direction, and criticism of democracy will assist to keep the governing machinery active, pure, just, and in consonance with the wishes of the people. The executive can draw its authority from the people and work to ends prescribed by the people, but its methods must be autocratic. The people may be sovereign ; it may rule, but it cannot govern. If efficiency is desired, it must leave the work of government to those who understand it. And, if efficiency is desirable in any State, it is necessary to the collectivist State.

For the collectivist State will have to do not only all the work that is at present carried on by the State, but all the work that is now done by the impersonal agency of money. Money drifts through the veins of the community ; wherever it settles for a moment it confers power and authority : wherever it is scanty, it secures obedience and submission. The impersonal authority of money, aided by tradition and custom, feeds our great London day by day, supplies it with clothing, firing, light, transport, removes its refuse and its waste, renews its buildings and

machinery. Even those parts of our economy which are controlled by the State are largely worked by the power of money; the payment of wages and salaries secures the willing obedience and service of officials, skilled workmen, and labourers. All that under our present system is unconsciously and automatically brought about by the authority of money, habit, and routine, under a collectivist State would have to be carried out by the conscious and purposeful action of the governing authorities. Money or its equivalent would still retain some power, but its power would be limited and restricted and the authority of the government would have to supply its place. Nowadays if the government is inefficient public works may be expensive and ill-devised, discipline may be slack in the dockyards, the army, or the navy, education may be dear and purposeless, but the ordinary business of life will nevertheless go on and the wants of the community will be more or less supplied. Under the collectivist State if government is inefficient food will be irregularly supplied and of bad quality, clothing will be of bad material and ill-fitting, light and firing will not be forthcoming when needed, houses will let in the water or fall down; the defects of government will be brought home to every citizen at every moment of his daily life. Our present system is not too efficient; but the government of the collectivist State cannot be content with that level of efficiency, and it will have to cover ten times the area

that government now attempts to control. And even the area that the State now controls is largely governed by the coercive force of the money power. There is little chance that democracy, if effectual, will also be efficient when confronted with the enormously more extensive problems of the collectivist State. If the multitude attempt to govern the collectivist State, it is likely that they will give up the task in despair after some bitter experiences, and resign themselves to some complicated form of tyranny disguised more or less under democratic forms. Power will be won and exercised by those who know how to win and exercise it; it is not likely that the means by which authority will be acquired and exercised will be any more beautiful and ennobling than the means by which money is now acquired and increased. But, whereas the abuses of the money system are impersonal, unpremeditated, and obscured by familiarity, the abuses of the collectivist State will be due to personal intrigue and the defects of the political system, and rendered more glaring by contrast with the condition of things to which men had been previously accustomed. The democracy will grind its teeth in anguish, but will be unable to remedy one item of the grievances to which it will be individually and collectively subjected. Either liberty will have to be sacrificed to efficiency or the reverse; it is likely that the efficiency and the liberty alike will be less than those which we at present enjoy.

Thus by one road and another we come to the same conclusion, that universal collectivism involves problems of government which are far beyond the power of any authority that can be devised or established. Especially is the adequate solution of these problems incompatible with effectual democracy, and ineffectual democracy is only tyranny in disguise. Only a powerful autocracy backed by a trained bureaucracy with a high tradition of public service, justice, and integrity, could hope to produce a tolerable result; but the weight of personal responsibility would be more than one man, or one junto, could permanently endure. Nor does there appear to be any natural and legitimate manner in which such a tyranny or tyrannous committee could be established. Moreover, in enforcing its authority, in requiring industry, initiative, zeal, from its workers and supervisors, it could not dispense with the aid of money power, money rewards and punishments. The coercion of prison or penal settlements for slackness or disobedience would be too expensive and cumbrous; the coercion of the cat would be unendurable; the stimulus of promotion or degradation too ineffective unless it were supplemented by want on the one hand or wealth on the other. Moreover, if the contention that universal collectivism is incompatible with effectual democracy be true, and I do not see how it can be controverted, universal collectivism cannot be left with many

friends. We none of us want to live under an irresponsible tyranny, even if it were accompanied by a much higher general level of comfort than we enjoy at present. And historical experience shows that tyrants have to spend so much on buying support and rewarding their useful servants, on pay, allowances, donatives, privileges, and gratuities to their armed forces, that the interests of the State are apt to come off second best.

Any such system of universal collectivism is certain to break down on account of its exclusively socialistic character. It is not a question only of forms of government. Democracy is probably less fit to govern the collectivist State than tyranny or oligarchy, but no State can be managed without its full share of individualist energy and initiative. The task of managing all the material affairs of men is beyond the power of any government that man can conceive. It transcends the power of government, it goes beyond the legitimate functions of the State, beyond anything that the State can hopefully undertake. The proper function of the State is not to manage and coerce everyone, but to control, assist, instruct, protect, individualist forces; to modify and improve existing customs and traditions; to supplement individualism, not to supersede it.

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